

June 1920

THE

25 Cents

NATION'S BUSINESS



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Metal & Thermal Corp.,
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Work—Head and Hand

Sir Auckland Geddes

George E. Roberts

Homer L. Ferguson

Richard Spillane

William C. Redfield

Archer Wall Douglas

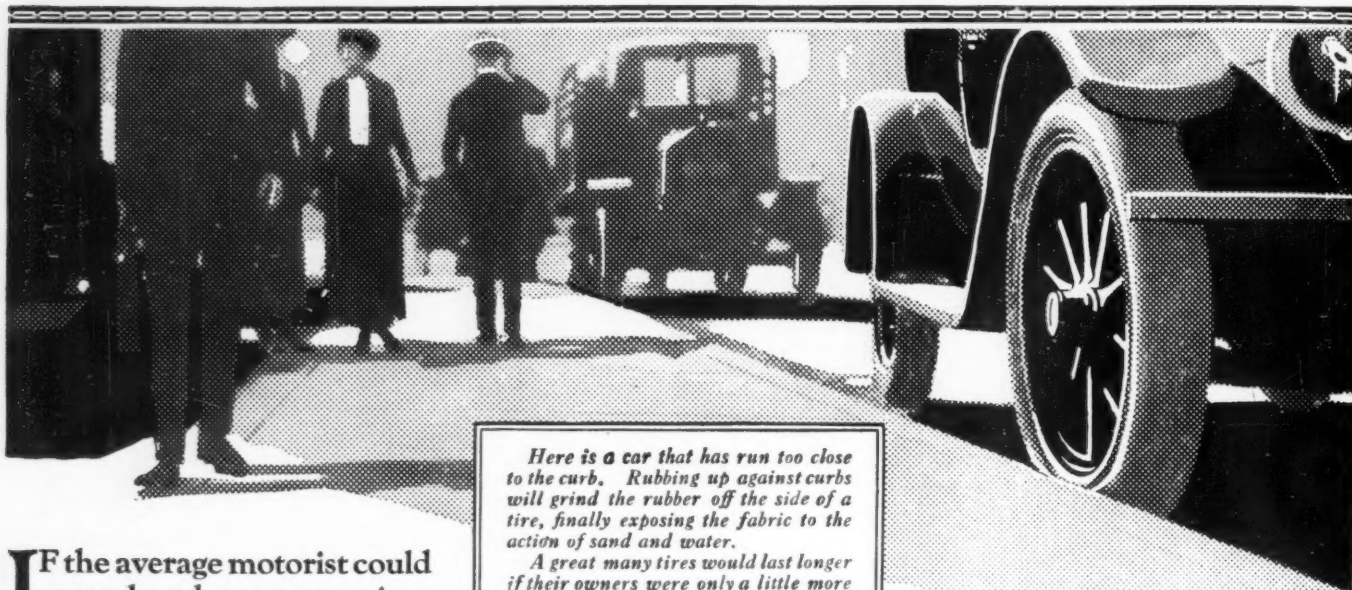
Admiral Benson

Edwin T. Meredith

Joshua W. Alexander

Forty million tires for 1920

What kind of tires are they



Here is a car that has run too close to the curb. Rubbing up against curbs will grind the rubber off the side of a tire, finally exposing the fabric to the action of sand and water.

A great many tires would last longer if their owners were only a little more careful not to scrape against curbs in stopping and starting.

If the average motorist could spend an hour or two in a vulcanizing shop—watch the tires coming in for repair with all their weaknesses showing—talk to the shop manager away from the cheers of the tire salesmen—

He would see what comes of thinking too much in terms of “concessions” and “allowances.”

* * *

Concessions and allowances are what the irresponsible tire dealer lives on.

He finds it easier to convince a man that he will make good on a tire if it goes bad than to convince him that it won't go bad.

What practical motorists

are looking for today is good tires—not tires that may have to be made good.

And they are going more and more to the dealer whose business is based on *quality* instead of on chance.

* * *

The United States Rubber Company stands back of that kind of a dealer with all the tremendous resources at its command.

It has staked a larger investment on quality than any other rubber organization. Its first thought has always been of the tire user—putting

his problem before the problem of markets.

Every important advance in tire manufacture has come from the United States Rubber Company—the *first straight-side* automobile tire, the *first pneumatic* truck tire, the *grainless rubber* solid truck tire, for instance.

The U. S. guarantee is for the *life of the tire*, and not for a limited mileage.

* * *

Nearly every man pays for U. S. Tire quality, but he doesn't always get it.

If he did the country wouldn't need forty million tires this year.

United States Tires

United States Rubber Company

Fifty-three
Factories

The oldest and largest
Rubber Organization in the World

Two hundred and
thirty-five Branches

THE NATION'S BUSINESS

A Magazine for Business Men

VOL. 8, NUMBER 6

JUNE, 1920

Forward—But Watch Your Step!

American business leaders take counsel of the present and lay plans for the future of the country's industry that promise to amaze those who have been preaching disaster

By RICHARD SPILLANE

Business Editor, "Philadelphia Public Ledger"

THERE was a lawyer of my acquaintance whose wife was in an accident. Sixteen persons witnessed the happening. The lawyer interviewed all sixteen and got from them their versions of the affair. Their accounts and their views varied so greatly that the lawyer said he would be much more tolerant thereafter in gauging the testimony of witnesses, so diverse were the ways in which perfectly honest and sensible people viewed the same affair.

I have been asked to give my impressions of the meeting of the Chamber of Commerce of the United States in Atlantic City. Ubiquity is an assumed talent of the newspaper writer but it is strained to the limit when tested by such a gathering as that of the chamber with its multiple groupings in synchronistic meetings.

Some things among my impressions stand out boldly, however. They are:

With one exception there never was a convention in the experience of the writer so well arranged, so well conducted and altogether so admirably handled as this one.

The American business man has learned how to think and talk while on his feet facing an audience.

He has determined to "go to the mat" with organized labor if in no other way can labor be brought to reason.

He still is a bit hazy about conditions and much in doubt about the future.

Three of the best speeches of recent time were delivered at the convention and two of them were extemporaneous.

Financiers are more pessimistic than are the general run of business men.

Everyone Was Represented

IT is striking proof of the high position the Chamber has taken in American affairs that so many men of national prominence were in attendance. There were cabinet ministers and former cabinet ministers, the new British ambassador, governors, captains of industry, lawyers, bankers, publicists and others of high distinction. There were women a-plenty and they showed deep interest in the proceedings, and last, but not least, the press gave to the gathering an amount of space never before accorded to a

WE, on THE NATION'S BUSINESS, live very close to the National Chamber—too close to get a detached viewpoint of its activities. In looking around for a man outside the family to interpret the Increased Production Convention at Atlantic City, we hit upon Mr. Richard Spillane, Business Editor of the *Philadelphia Public Ledger*. Mr. Spillane was asked to attend the meeting and write what he heard and saw and felt. We made no restrictions or limitations on what he should say. He had never before been to a National Chamber convention. It gives us pleasure to present here the impressions of a trained business writer whose name is already known to many of our readers.

—THE EDITOR.

business assemblage in the history of the republic.

Practically every state in the Union was represented in the nearly four thousand persons in attendance and there was but one incident to mar the whole affair. Unfortunately that was magnified and distorted in some of the newspaper reports.

There are "stars" to every gathering. There were five to the convention. Americans always are responsive to good oratory. The five speakers who starred at Atlantic City were Homer Ferguson, George T. Buckingham, Sir Auckland Geddes, George E. Roberts and Governor Henry J. Allen, of Kansas. Some persons may take issue with this view.

Mr. Roberts is not at his best before a large audience. He read his address and his voice was not strong. Besides, he spoke late at night when most of the people were eager to get away to their hotels, but for wisdom, for profound insight into the fundamental facts that must be considered and for depth of study of the bases of security as to the future, his paper ranks among the strongest of those any thinker has given to the public in these post-war days.

What delight and what variety the others

furnished! Mr. Ferguson, a president of the Chamber, furnished the text for the conference. He makes no pretense to oratorical powers. He is not big of body or big of voice but he has an art or, possibly, it would be better to say an artlessness, in phrasing and an odd trick of expression that are delightful. There were no rhetorical flourishes. He was humorous, serious, whimsical by turns and he had a peculiar way of hesitating when approaching a period and giving you the impression that he was troubled for a way to round out his idea and then, suddenly, springing a word or a term that was so clever and altogether so novel and unexpected as to excite your risibilities or stir you to applause.

He seemed to wander around haphazard in his speaking; to be chatting with a party of intimate friends, but when you came to review what he discussed you discovered that he had covered nearly everything necessary for your earnest consideration and that you had been having homely truth put before you in a way that was adroit. A rare public speaker was lost to the world when they made a shipbuilder of Homer Ferguson. He roamed all over the economic lot. He even aroused the audience to hearty applause for taxes. That is the limit.

Teachers and Ditch-Diggers

BUT there was a reason, a good one. Mr. Ferguson said preachers and teachers today are able to make as much in a month as ditch-diggers in two weeks and in justice to them and to safeguard the institutions of religion and education he would favor more taxes if in no other way could they be maintained.

He dwelt humorously, and then seriously, on the transportation problem, the shipping subject, the farm question, the labor situation, the financial difficulties and he coined epigrams to fit each one of them.

He was not one of those, he said, who believed the people had all of a sudden lost the power of taking care of themselves, even if some persons were running around in a circle and acting as if they didn't know the points of the compass. Neither did he fear

that the people lacked ability to meet a general strike. The implied threat of such a gross wrong was enough to make the blood of all decent men, all earnest men and all purposeful men get heated. If such an effort were made it would be met vigorously, decisively. No one group in this broad land had the economic right to visit such a wrong upon the other and the vastly more numerous.

One of the great troubles with employers, he declared, was that they had confined most of their efforts in meeting the many pressing problems of today to talking about them. Many of our troubles had been developed or exaggerated through losing our reasoning on false premises—on facts that were not facts.

Labor, the Crying Need

HE stressed the labor shortage. Through the stoppage of immigration, he figured, we were 3,000,000 persons short of the normal flow. This shortage, while acute in industry, was more manifest on the farm. He believed in lifting the bars somewhat regarding immigrants. He said it might be necessary. So far as general industry was concerned, to adopt some of the measures resorted to in the war days, such as shifting labor from non-essential to essential industries for a time. It might be necessary, too, to draw more women into industrial employment.

As to the farm—this was something pregnant with danger. He feared if the farm labor problem was not solved the food situation would become so serious that this country—the greatest food producing area of the world—would know very high prices and, possibly, a shortage.

Mr. Buckingham followed Daniel C. Roper, former Commissioner of Internal Revenue, when that gentleman in a most engaging address explained the tremendous needs for money and the unprecedented methods that had to be employed to bring from the people enough in taxes to meet these needs. Mr. Roper told of his handicaps while Commissioner of Internal Revenue, of his effort to do exact justice and of the great handicaps he had to work under and to what ends he had to go to see that all those subject to the extraordinary taxes paid their due, so that no wrong would be visited upon the others.

Mr. Buckingham paid a graceful tribute to Mr. Roper, then handed the questionable verbal bouquet to him of declaring the former commissioner had done all that was humanly possible to make workable an altogether unworkable plan. There is a suggestion of W. Bourke Cockran and Joseph W. Bailey in the oratory of Mr. Buckingham. He ranged through humorous sally and satirical picturing and gave such grotesque illustrations of the inequalities and unjust burdens of the various grades of

the income tax law that he had everyone, even Mr. Roper, roaring with laughter. And in the next minute he would swing to the serious consequences of the inequalities of the tax showing how it favored the unworthy in the corporate field and unduly burdened the honest and worthy. He traced many of our pressing woes to the wrongs visited upon business by the tax and he did it all so well and with such vigor and impressiveness and

impressive. Anyone but a person suffering from writer's cramp can report him verbatim. Anyone else would tire an audience and yet he held that great crowd from start to finish. There is an impressiveness to his words, a fitness in his selection of terms, a charm in his mannerisms that make you forget his halting method of delivery. And he spoke without notes. That was pleasing and rather unusual for an ambassador especially in such times

as these and particularly as this was the first real public utterance of Sir Auckland in his ambassadorial rôle. He confined himself in his speech before the Chamber of Commerce to conditions in Europe picturing in graphic and vivid form the depth of misery into which the broken people of the war-wrecked nations are plunged and how appealing to the charity and justice of the world their plight should be.

Allen—Allen of Kansas—came up to expectations and more, too. He spoke twice and he could have filled the auditorium every day, so eager were the people to hear him. He doesn't look like an orator, or what you expect a governor and especially a Kansas Governor to look like but he knows how to talk. He isn't tall and he isn't impressive in appearance. He looks more like a storekeeper than a statesman or a prominent editor but he must be a great card on the hustings.

His story of the events that led up to the passage of the Kansas Industrial Relations Law and the administration of that law was vivid. It made plain the fact that the mine owners were at fault for the vile conditions in the Kansas collieries. It made plain too, that union labor never had given the protection to the coal miners that unionism should do if it really is protective of labor. He tore the veil from employer and union leaders and showed how both thought only of their own interests and were ever ready to crucify the public.

He gave facts and figures and he gave them in the presence of the vice-president of the American Federation of Labor and challenged him to deny them. He showed that more real good had been done for labor in a few months under the new law than in all the previous years by organized labor. And he made it plain that the only reason unjust capital or unjust labor had been able to wrong the public was because the public never had exercised the power which under the law it may create and exercise for its protection.

The Allen-Woll Episode

UNQUESTIONABLY the prestige of the governor was enhanced by his two addresses.

It was in connection with the second speech of Mr. Allen that the unpleasant incident referred to developed. Matthew



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Joseph H. Defrees, of Chicago, newly elected president of the Chamber of Commerce of the United States.

with such gems of wit and eloquence and quotation that he got an ovation such as must have warmed his heart.

Mr. Roberts' speech probably will read much better than did that of Mr. Buckingham. In the judgment of the writer it is the best product of that able man. Too few appreciated its worth while Mr. Roberts read it to the assemblage.

Ambassador Geddes, next to Governor Allen, had the greatest attraction for the public. Everybody wanted to see him and hear him. There hardly was a vacant seat in the great auditorium on Young's Pier the night he spoke.

He is remarkable in various ways but in none more than in his oratorical style. He is one of the slowest of speakers. He will utter a word or two, stop for five or more seconds, put in a few more words, halt for a time, resume to the extent of a few more words and then pause and yet he is most

Woll, vice-president of the American Federation of Labor, was to speak. There were four speakers that morning and thirty minutes were allotted to each. Mr. Woll, either through ardor or forgetfulness, spoke an hour and 35 minutes. He speaks unusually well, but there was much repetition in what he said. He had a wonderful opportunity to win the support of those who heard him, but through a reference that was not understood in the way he intended to express it, he awakened some antagonism. He had likened the Kansas Industrial Relations Law to a Sovietism of Capital and said that if he was to favor the law he would become an associate of the Sovietism of Lenin and Trotsky.

At this many persons hissed. Five minutes later there were some calls of "Time," "Allen!" "Time!" Mr. Woll apologized and hastily closed his address. He is a good sport. Various persons apologized to him for the hisses. He said he appreciated that he was misunderstood. He also said he was sorry he overran his time.

Too bad Mr. Woll was not big enough when he came before that audience to say that Labor, like Capital, had made many errors and committed many wrongs, but it was striving only for fullest justice to workers and if Capital would meet it in the same spirit of desire to do the best for all, a fair and honest basis no doubt could be reached, whereby the horrible wastes and cruelties of industrial strife could be minimized if not avoided.

If he had made any just suggestion it would have been received as the dawning of a new era in American industry. Instead, he pictured unionism as an institution without a flaw. He defended with an elaboration of detail everything it did.

Union labor ever was just, ever was honest, ever was patriotic, according to Mr. Woll. From his variation it would appear that it won the war single-handed.

Mr. Woll listened to another version of union labor's part in the war when Mr. O'Leary, who sat on the same board with him in the War period, told in detail how union labor violated its "Gentlemen's Agreement" and sought to take advantage of employers in a way that was wholly discreditable.

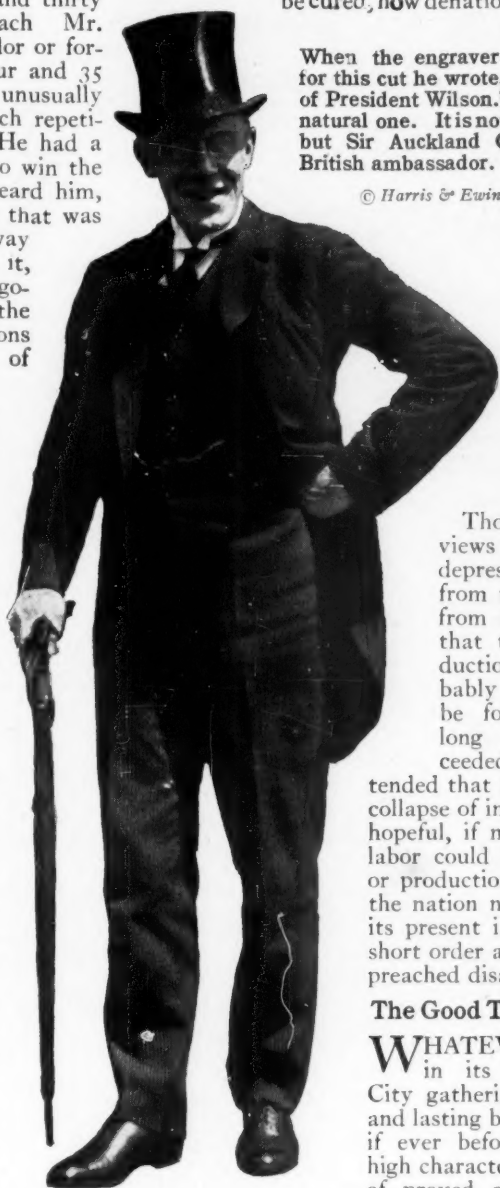
But all this foregoing matter has to do with oratory and orators. The big work of the convention was done in committees—in the gatherings of the councillors in the group meetings on Finance, Railroads, Shipping, Cost Accounting, Foreign Commerce, Domestic Distribution, the Business and Daily Press, Industrial Production, Civic Development, Highways, Insurance, etc.

As said before, men connected with Finance

were inclined to pessimism as to the future. They could not see how the ills of today could be cured, how deflation can be accomplished

When the engraver sent in his bill for this cut he wrote, "To one halftone of President Wilson." The error was a natural one. It is not President Wilson but Sir Auckland Geddes, the new British ambassador.

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without a smash. They were divided as to whether there would be a sharp, severe convulsion and then a quick recovery or rather a prolonged period of depression with a slow but healthy return to prosperity.

Those holding opposite views pointed out that depression never had come from under-production but from over-production, and that there was under-production today and probably would continue to be for a long time. So long as demand far exceeded supply they contended that there could be no real collapse of industry and they were hopeful, if not optimistic, that if labor could be brought to terms or production brought to normal, the nation not only would adjust its present ills but do so in such short order as to amaze those who preached disaster.

The Good That Will Come of It

WHATEVER school is correct in its view, the Atlantic City gathering was a very great and lasting benefit. It is doubtful if ever before so many men of high character, of earnest purpose, of proved ability, and of great responsibility came together for council. Some of the greatest minds of America gave of their fruit. Never was it needed more.

Whatever the future develops out of the complexities of these remarkable times, the nation is better prepared, more strongly knit, to meet the situation because of this concentration of the thoughts of many men, big men, leaders of men upon the problems of the hour, the problems that have so much to do with the welfare of America and the welfare of the world.

Who Would Pay the Billion?

THE demand for more than a billion dollars increase in wages that is now before the Railroad Labor Board will, if granted, make necessary a total increase of about 60 per cent in freight rates—30 per cent to cover the war increase in railroad expenses, and 30 per cent to pay the new billion dollar increase in wages. If this last increase is granted it is mandatory on the Interstate Commerce Commission to grant an increase in rates to meet it.

This demand of the employees for a further wage increase is now being considered by the Railroad Labor Board appointed under the provisions of the Transportation Act of

1920. This board is composed of nine members—three representing the railroad employees, three the carriers, and three the public. The board is authorized to decide any disputes in regard to wages and working conditions that cannot be settled either by conference between the carriers and their employees, or by reference to one of the railroad labor Adjustment Boards.

The act requires that the decisions of the board shall establish rates of wages and salaries and standards of working conditions, which, in the opinion of the board, are just and reasonable; and adds that in determining the justness and reasonableness of such wages and salaries or working conditions, the board shall take into consideration, among other relevant circumstances, the scales of wages paid for similar kinds of work in other industries and the relation between wages and the cost of living.

Two Leading Questions

THERE are two very important questions now awaiting settlement by the Railroad Labor Board:

First, the demand of the railroad employees for a billion-dollar increase in wages, and,

Second, the demand of the outlaw railroad labor unions that the Labor Board consider their grievances and make an award that will settle the pending railroad strikes that have so seriously interfered with the movement of freight traffic in all parts of the country.

Thus far the Railroad Labor Board has refused to recognize that the outlaw unions have any standing in court because they are not now in the employ of the railroads and because they did not obey that provision of the Transportation Act which says that "it shall be the duty of all carriers and their officers, employees and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees."

The Railroad Labor Board met in Washington for about three weeks, beginning April 19, 1920, and then removed to Chicago, where it has established permanent headquarters in the Kesner Building. The brotherhoods presented their testimony at the hearings in Washington, and the railroad executives commenced the presentation of their side of the case when the board held its first hearing in Chicago on May 17.

Thirty Per Cent Increase

IF the board should make an award granting in full the demands of the employees, it would be necessary for shippers to pay an average increase of 30 per cent in freight rates, as is shown by the following figures:

An increase of one cent an hour for all employees will add \$50,000,000 to the wage bill of the railroads and thus will automatically add \$50,000,000 to the amount that must be paid by shippers in the form of freight rates.

An increase of \$100,000,000 in wages will mean an average increase of 3 per cent in freight rates and an increase of \$1,000,000,000 in wages (the amount involved in the demand now before the Railroad Labor Board) will mean an average increase of 30 per cent in freight rates.

An increase of a billion dollars in wages, or 30 per cent in freight rates, means an average increase of \$50 a year in the cost of living for 20,000,000 families in the United States.

Finding Work for the Corncob

The case of the Missouri meerschaum is an example of the service performed by the Department of Agriculture; it discovered in the lowly cob material for adhesive, dynamite, paper, dyes and even bug poison

By **EDWIN T. MEREDITH**

Secretary of Agriculture



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OUR Department of Agriculture is for making the business of farming more profitable by making production and marketing more efficient and economical.

Twenty-five million dollars worth of sweet potatoes were wasted in 1919. One hundred million bushels of sweet potatoes rotted instead of being eaten. They rotted because they were put on the ground in small heaps and covered with dirt, instead of being stored in properly constructed warehouses. Specialists of the Department of Agriculture developed a storage house that reduced the loss when used from 50 per cent to 2 per cent. More than 600 such storage houses, recommended by the Bureau of Markets, were erected—enough to take care of about 9 per cent of the sweet potatoes stored every year. Then we had practically to discontinue the educational campaign because our appropriations were decreased to such an extent that we had no money for the purpose.

From \$50,000,000 to \$75,000,000 is lost every year because baled cotton is left out in the weather instead of being put in properly regulated storage houses. Tests made by the Department have shown losses by exposing cotton to the weather ranging as high as \$100.48 a bale, and the lowest shown was \$8.80 a bale. The Department of Agriculture is trying to eliminate this loss, but the funds at its command for demonstration and educational work make it impossible to cover the ground in any adequate way.

Multiplied millions of dollars worth of fruits and vegetables rot every year in railroad cars. In two months last winter, \$3,000,000 worth

A county agent laying down the laws of good farming to a mixed and interested audience in the Corn Belt. Such men are useful agencies in getting to farmers discoveries and improvements in our basic industry.

of apples from the Pacific Northwest were frozen in transit. Losses from heat are just about as heavy as those from cold. A new type of refrigerator car was designed by Department specialists. It was so efficient that the Railroad Administration adopted it as a standard. Practically all refrigerator cars built or rebuilt in the United States during the past two years are built in accordance with those specifications. Efforts are now being made to perfect a means for heating the standard refrigerator car in cold weather. Specifications to cover this have been worked out and were adopted by the Railroad Administration.

Losses caused by improper loading and packing of fruits and vegetables frequently run as high as 40 to 50 per cent of the car load. Specifications for loading cars with certain fruits and vegetables have been worked out by the Department. There has not yet been opportunity for checking up on all of them in operation, but we have checked up on potatoes, which formerly suffered very severely.

The Department of Agriculture is eliminating waste along many other important lines, by discovering uses for products that formerly served no useful purpose. The most notable recent illustration is that of corncobs. About a bushel of cobs is produced for every bushel of shelled corn, and they have always been almost a complete waste.

During the past few months, chemists in the Department of Agriculture have discovered that the entire content of corn cobs can be converted into highly useful products. Commercial plants are now being equipped to manufacture half a dozen products from them. One of these products is an adhesive of exceptionally high quality. Another is cellulose, suitable for use in the manufacture of dynamite and various other things. We have made very good paper, using a part of the corncob product as filler. Another product that the plants will turn out from cobs is acetate of lime, from which acetic acid is made.

And after all these things had been demonstrated, our chemists discovered a very valuable by-product—furfural. Up to this time furfural has been so rare that it has sold as high as \$20 a pound. Every ton of corn cobs will yield about 30 pounds of furfural as a by-product, and our specialists estimate that it can be manufactured in this way for less than 20 cents a pound. Furfural is what the chemists call a basic intermediary in dyes. It is useful in the manufacture of many paints and lacquers and in the making of bakelite, the substance used in pipe stems and other articles. Furfural is also such an excellent insecticide that it has been much used for that purpose, even though the price was \$20 a pound. So the corn cob, instead of being a dead waste, is likely to become a commodity on the market.

The Foreign Trade Trinity

It's Ships, Fuel and Communication. The first we have; how may we protect our newly acquired fleet and remedy the shortcomings that appear under the other two heads?

By ADMIRAL WILLIAM S. BENSON

Chairman of the United States Shipping Board

I feel that I understand the international phase of the shipping situation very keenly—much more keenly than I dare give expression to. I have been willing to assume my duties as chairman of the Shipping Board feeling that I might as a public servant do something more to help the cause of my country after having retired from an active naval career.

It is my intention to continue that effort until it is found that someone can do it better.

One or two of our large seaports have felt—and the situation has continued to warrant that feeling—that all of our commerce would go to those ports; that it would have to go there regardless of their terminal facilities.

It is my determination, as long as I am chairman of the board, to exert my influence to scatter our trade to all the cities in this country where it can be properly handled, to locate all centers of production so that the material that is to be exported will go from the nearest point of production to the nearest and best seaport to carry it to its destination.

There are a great many articles that we want to export to the Far East produced on our eastern coast. The lines that handle those articles should go from our eastern coast through the Panama Canal and to the Far East and not congest the railroads and terminals across the whole continent.

A great deal of the output of our most productive territory should go to the Gulf, and to the southern ports, and to the Pacific ports. All those points should be carefully considered. It is our intention that lines shall be established in order to carry out this idea.

Ships for the Smaller Ports

THE smaller cities have become discouraged. They would spend the money for terminal facilities if they had any assurance they stood any show whatever of getting some of the trade. It is my idea to see that they do get an opportunity, and see that the steamship lines are established to handle their produce through those ports and that the lines are maintained.

I feel that the close of this great war leaves the United States facing the most serious situation that it has ever faced in its history. We have shown by our limitless potentialities to the entire world our invincibility. They have seen how we could rapidly build up a merchant marine, how we could carry our troops across the Atlantic Ocean, how we could build a barrage across the North Sea. They have seen that there is no problem that is at all possible, and that is necessary for the accomplishment

of any enterprise that we wish to enter, that we will not attempt, and not only attempt, but carry to a successful conclusion.

I feel this very strongly, that had we not accomplished anything else in this world, had we nothing else to show for the tremendous expenditure, we would have accomplished quite enough for what we have done in the way of money by convincing the world of what we can do when the occasion arises.

Our foreign competitors are more dependent on ocean trade itself, a thing that is most important for our development. It is a thing that will be beneficial to our people. We have reached that stage in our national development where, in my opinion, it is almost a necessity for us to have an American merchant marine.

to propel those ships; the third is communication.

At the present time we have the fuel. But the fuel situation is a very serious one. The modern merchant ship must use fuel oil, or it must lose out in competition with foreign competitors. Most of the modern ships are using fuel oil. You will hear it said, "Oh, why not go back to coal? There is plenty of coal now and it is very much easier."

If we are forced by conditions to return to the use of coal for our merchant marine we might as well give up the problem. Our foreign competitors are using every means to so completely control the fuel oil situation that in the very near future—if there is not some legislation that will give us the power to exert certain pressure on foreign interests—they will be able to keep us from securing the oil fuel that we must have.

If you look at the map you can see where the oil is scattered throughout the world. Right in the center of the map is Persia, there is one of the biggest oil fields in the world, and we cannot get any of that. It is right in the middle of our trade routes.

The Cry for Oil

TAKE it around the Caspian Sea. We cannot get it there. That is all taken over. Take it in India, where there are large oil wells, take it in Burmah and other places. The oil that our foreign competitors control is scattered around the world. Ours is confined to our own country, with what we are getting from Mexico.

If you watch what is going on carefully you will observe that a great deal of our oil is being taken from this continent. My fear is that in the near future our oil supply on this continent may be practically exhausted.

I am told that the possibilities of the shale industry will meet the problem for many years. Supposing that it does, it is a great inconvenience to have all the oil located at one end of the line. In order to operate our ships successfully it must be all over the world, and we must be prepared.

We are lengthening the radius of operation of our ships so that we can make nearly all of the various voyages without refueling in other countries.

In regard to communication, you cannot get a cablegram either into or from the continent of Europe that is not supervised by some foreign government. It is possible—it is not only possible, but I feel satisfied that it is a fact—that cablegrams are held up and that



The Shipping Board wants to increase the lines that cross the Pacific. There is now hardly more than 12 to 15 per cent of ships on these runs that it wishes to maintain.

The three elements that a merchant marine depends on are: Ships to begin with. We have the ships. The next is the fuel

our business people are laboring under that great disadvantage. The only way that you can get a message now to your business correspondents on the continent of Europe that does not suffer this disadvantage is through the present system originated during the war—the naval radio. This is a very

serious handicap, and must be remedied in the near future.

The Shipping Board has established and will maintain the lines running from the Gulf ports to carry produce to China, to South America, to the East Indies or to Europe. We want particularly to develop

those lines going to South America, and in the Pacific. There is hardly more than 12 to 15 per cent of the lines and ships in the Pacific that we wish to maintain. It cannot be done unless the people behind the cities, in the back country, will take an interest in it and make investments.

Protecting the Public?—Revenge!

Labor unions threaten to beat congressmen who followed their consciences and voted for Railroad Labor Board; let business men counter by supporting such candidates regardless of party

By GEORGE A. POST

Chairman, Railroad Committee, Chamber of Commerce of the United States

OUT of the Congressional melting pot, with its molten mass of variant theories, strident threats, bold or camouflaged selfishness, feal and imaginary statistics, intermixed with solid facts, public necessities, and corporate realities, has come "The Transportation Act of 1920"—the answer of Congress to the "Plumb Plan" and other economic vagaries.

Is this new law perfect in its every feature? Undoubtedly not. Any piece of legislation attempting to cover so many details, affecting so many diverse interests, making provision for so many prospective contingencies, so tremendous in its effect upon our national life, can only be the best possible composite of the views of many diverging minds. Compromises had to be effected, proposals possibly wise had to be eliminated to avoid a legislative impasse. Beyond doubt it is the best legislative program of railroad regulation ever enacted, more constructive and less repressive.

The railroad officials are at this time naturally more anxious than ever to meet the demands upon them. Even if they had the money now, which they have not, it would be some time before they could add substantially to their equipment. Some of the strong roads have already contracted for new equipment, but not more than half they need, because of the restricted money market and the high cost for borrowings. Meantime, while the rates are being discussed and fixed by the Interstate Commerce Commission means of access to the government revolving fund are being arranged and a modicum of relief is afforded by the delivery later on of such equipment as has already been ordered, it is the duty of the public to be good humored, patient and considerate.

Those who receive cars for lading must load them quickly to their capacity, and consignees must unload with greatest possible celerity. We must not expect miracles simply because the roads have been turned back to their owners for operation. We have a right to expect, and do expect, that the railroad officials will do all that is humanly possible to meet the emergency. We also have the right to expect, and insist, that the railroad employees will cooperate with their officers and keep the wheels rolling, and not paralyze commerce by quarrels

among themselves, which, in effect, is a strike against the public, whose Congress has established a tribunal for the fair, impartial adjudication of labor disputes.

I am impelled to refer to the attitude of organized labor toward the creation of the Railroad Labor Board, which is deeply to be deplored. So bitter was their opposition that after the passage of the transportation Act, publication was made by labor leaders of their intention to mark for publication at the polls, all senators and representatives who voted for the measure.

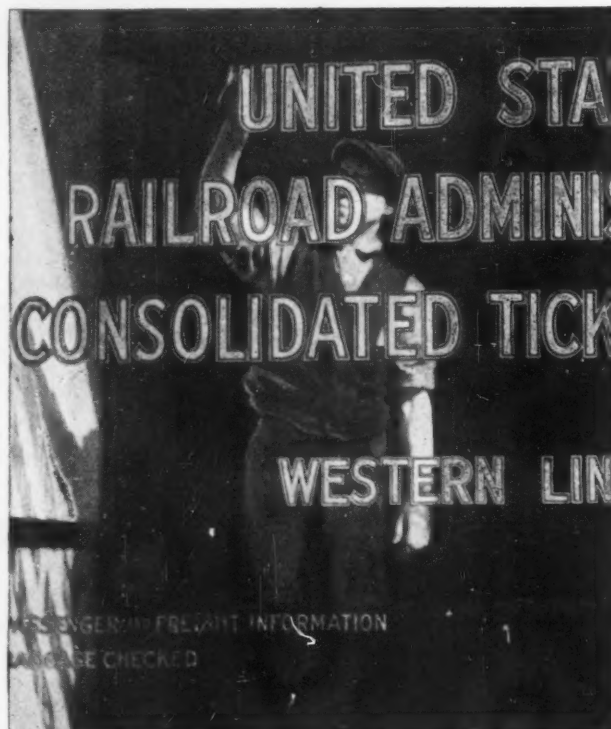
And why, for sooth? Because provision was made for including the "public" in the tribunal which should deal with the demand of labor. The theory was pressed that only the representatives of the officials of the railroads and the representatives of the employees should determine labor disputes; and whatever their conclusions were, the public, which pays the bills, should have nothing to say. When did it become a crime, punishable by official death, for a representative in Congress to vote in defense of the rights of the public? An appeal should

be made to all business men to see to it that no Congressman or Senator is defeated because he upheld the right of the public to participate officially in deliberations and decisions, involving hundreds of millions of dollars additional wages to railroad employees, which it must pay in the shape of increased rates and fares.

I do not deny the right of organized labor to vote for or against any man for any reason, but I do assert that if, and when, organized labor demands of its membership that a senator or representative shall be driven from public life because he stood for public representation upon the Railroad Labor Board, every business man owes it to himself, to his country and to the target of organized wrath, to see to it that courageous, fair public service shall have its reward in militant support. As for me, my affiliations are with the Democratic party, but I here and now declare that in the congressional district and state where I vote, I shall ardently support for reelection, regardless of the political ticket upon which they run, the man or men who in Congress, refused to bend the knee of subjection when threatened with defeat therefor, and manfully maintained their convictions by voting "Aye" upon the "Transportation Act of 1920."

No threats were made against those who voted "No." The defeat of no congressman is sought because he voted "No." Freedom of thought and action is conceded without a question to those who could not or did not favor the act. About some of its provisions, there is room for honest differences of opinion and doubts as to their wisdom or efficacy. The fact remains that every letter and line of the act was an earnest attempt made under many embarrassments to solve a difficult problem. Certainly the railroad executives did not get much that they wanted—much that they opposed was included therein. Thoughtful students of finance are disappointed in the failure of Congress to pay heed to some of their proposals. But at all times the animating thought of those responsible for the final form of the act, was the adequate service of the public, with every safeguard they could think of for its welfare included therein.

Shall those in Congress who thus labored, who thus staunchly stood the gaff, bite the dust as their requital?



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Removing the traces of government control from a ticket office window in Chicago

Industry's Eternal Triangle

Here is a presentation of the case for the union, the industrial court and the open shop. Each of the three has its own spokesman; the first brief presented is

By **MATTHEW WOLL**

Vice-President of the American Federation of Labor

WHAT do we ask as wage earners? The right to organize, the right to representation, the right to collective bargaining.

And when we ask for the right to organize, and for the right of selecting our own representatives, for the right of collective bargaining, we are not asking for more than our government, and our people and our nation have long ago accorded to the employing interests of our land. Surely, if this is a government of law and justice, our appeal should not fall on deaf ears. When we were at war, when this nation was confronted not only with the safeguarding of our institutions but promoting the principles of democracy abroad, the right was formally accorded to wage earners in the production of war materials to organize, and employers subscribed to that principle. The right to choose our representatives was fully recognized, and the right of collective bargaining was safeguarded.

Labor Kept the Nation Steady

WHAT do we find since? With the signing of the armistice, industrial unrest prevailing, the President of the United States called into council representatives of employers, of labor, and of the public to determine principles and outstanding policies which might remedy existing conditions, and lead us to a better and a happier understanding. What happened at that conference? All the rights that labor was accorded during the period of the war were absolutely and completely denied.

Oh, yes, we were told, "You have the right to organize, but we shall not agree with you that you may have the right of representation outside of the shop." Mind you, the very men who claim for themselves the right of representation in industry, denied the wage earners their right to determine what form of representation they should have. And so collective bargaining was likewise frowned upon, excepting where it is confined to shop committees exclusively, separating wage earners into small groups in order that the pressure of business immediately directed, may be able to hold their aspirations in check.

If our purposes were correctly understood, and not grossly misrepresented,

LABOR asks the right to organize and the right to strike without the interference of an industrial court.

the people at large might have a full realization that American wage earners today are as true and loyal and patriotic as they have been during the time of war. Indeed, had it not been for the trade-union movement during this period of readjustment, with the phenomenal rise in the cost of living, we would have, not merely this state of unrest in our industrial society today, but we would be confronted with a social cataclysm and industrial catastrophe.

Strikes? Yes, strikes interfere with production temporarily. Strikes bring suffering to the people, bring suffering to the very men engaged in strikes. Labor organizations do not invite strikes, whatever may be said to the contrary. But the fact that strikes may bring suffering, the fact that strikes may entail sacrifice, is no reason why the right to strike should be denied. Deny the right to strike, and you deny the right of collective bargaining. To assert that you have the right of collective bargaining, and cannot strike, is simply a contradiction.

Let us look at some of the industries where we have no strikes. Let us look to our postal service, one of the great institutions of government. Organized? Yes. Affiliated with the American Federation of Labor? Yes. These postal employes organizations do not engage in strikes. At the solicitation of the American Federation of Labor these organizations have adopted laws voluntarily restraining and denying themselves not the right, but the exercise of the right to strike. These men have been going on ever since the signing of the armistice, pleading for an increase in wage over the wage fixed by law. The Department of Labor, another Department of Government, advises that the cost of living has increased approximately 100 per cent since 1913. Now, these men have made no contribution to the increased cost of living by higher wages, they have not received a higher wage, but for the past fourteen months they have been pleading with Congress for a sufficient wage to maintain their homes, in decency and comfort. But Congress is still investigating the subject.

What of a Postmen's Strike?

I AM not advocating the exercise of the right to strike, I merely want to indicate that if there were a need to stir to consciousness a dormant Congress, then I say to you the postal employees might exercise that right and, believe me, it seems to me that that appears to be about the only way in which to open the eyes and the ears of our Congressmen and Senators at Washington.

Talk about the profiteering of labor, the records in the Department of Labor indicate that while union wages have increased but 55 per cent since 1913, the cost of living conditions have increased 100 per cent or more. And I ask you, is it labor that has been profiteering, or those engaged in commercial and industrial enterprises?

We are hearing numbers of remedies suggested. I refer particularly to the Industrial Court, the court of justice, as it is called by Gov. Allen of Kansas.

Industrial courts are not a new thing. It is simply going back to the statute of laborers in the old



English days when wages and conditions of work were fixed by courts. And what happened? Why, the greatest industrial friction, industrial disturbance came as a result; and only when labor was made free again, when the relationship of contractualism again was allowed to prevail, did their processes go on in a happier and in a more peaceful fashion.

To establish an industrial court means what? To fix wages, hours, and conditions of labor by law means what? It means destruction, it means the refutation of the very principles upon which our nation is founded, that no one ought to have the power to control or to dominate or to make relations for another. The dominance of the will of one over another spells despotism, and we do not care whether it is political tyranny or proletariat tyranny, or what sort of tyranny it may be. We are opposed to the destruction of our conception of freedom, democracy and justice and the substitution of dictum of law for a relationship founded upon contractualism.

What About the Public?

WE have established in Kansas our court of industrial relations, not as a court

of arbitration or conciliation, because, obviously, every effort at arbitration and conciliation has failed of its purpose. When you select a man representing your viewpoint in the controversy, and I choose a man representing my viewpoint and those two select an umpire, he may do one of two things: He may choose your side and get a partisan decision, or he may choose my side and get a partisan decision, or he may dicker back and forth between us and get a compromise. But into the conciliation of that board of arbitration there never has yet come in the growing history of industrial relations any concern for the party whose interest is chiefly at stake in an industrial controversy, the third party in the triangle—the public.

We have observed during the last thirty or forty years that society has stratified, so far as its expression in industrial life is concerned, and the amount of the stratification has been so great that the largest group has been entirely neglected. At the top one and one-half per cent representing employing capital, at the bottom six and one-half per cent representing organized labor. The relation of the top and the bottom changed as the phraseology ebbed and flowed, but in the center always there is 92 per cent representing us, held together by nothing stronger than our good-natured power of passive resistance.

Organized labor in Kansas, which is divided up into two separate and distinct classes, the radical and the conservative, is going through a new formation of its lines. The conservatives are linked up with the Kansas law. We have already made a dozen decisions, 90 per cent of which were in favor of organized labor. We have done some things that radical leadership has not been able to do for the mining district and the transportation industry, and the things we have done we have been able to do because we have the power of determination. The causes we settle stay settled. And yet, before that law has had an opportunity to prove whether it is a blessing or a curse, here comes a general order of the American Federation of Labor that the Kansas law is not to be allowed to gain a foothold in the confidence of labor.

It is not arbitration such as they have in

Oh, yes, the governor will tell you, "we do not interfere with the freedom of contract. We say to the worker, if you do not like your job, you may quit, that is, providing you do it alone, but if two or three or more of you quit at the same time for an increase of wage or because conditions are not as you feel they ought to be, then we have made it a crime, then we have invoked the doctrine of conspiracy and we will send you to jail for a year and fine you a thousand dollars if you do not go back to work." Oh, a beautiful conception of freedom and of living!

If I were to favor the Kansas Industrial Law, then I would also become a disciple of Eugene V. Debs, and an advocate of sovietism as proposed by Lenine and Trotsky, because after all, that is what Debs wants, to control industry by law, to control men by law; that is what Lenine and Trotsky are doing in Russia, controlling Government by the exclusive power of industrial workers and controlling industry by law, and severely penalizing workmen if they do not stay at work.

New Zealand and Australia. Those industrial courts were created for the purpose of enforcing

the decisions of arbitration. They have been growing stronger all the time. They were established first in behalf of organized labor. They have finally grown to the point where they have penalties. At first if a labor organization broke its contract they fined the labor organization. Then they found there was no source from which to collect the fine, and so that did not work. So they have stiffened up the penalties and put in this odd thing, that a party not satisfied with the decision is allowed to appeal to Parliament, and a vote in either branch of the Parliament knocks out the decision of the court. Well, of course, if you are going to

make courts the football of politics through legislative expression, you are not going to get very far.

In Kansas we make this court like every court; we are going upon the fundamental idea that society has the right to take jurisdiction of offenses against it.

After men have exhausted every effort to negotiate, after they have discovered that they cannot reach a basis of justice then the court steps in and offers itself as the substitute for the strike.

We do not say that men shall not quit work. Men may quit work in groups or singly. But we do say whenever, for the purpose of applying economic pressure to the public, any group of men conspires to shorten the production of a human necessity, that conspiracy may be dealt with under certain penalties prescribed in the criminal clauses of the law.

There is going through the Kansas mining district today a welfare commission to determine whether living conditions, housing conditions, working conditions are such as they should be. In the thirty years that radical unionism has held charge of that district they have never had a welfare survey and they have never raised the issue on these welfare considerations.

Labor says we have taken away from them the only weapon they ever had, the weapon to strike. It is an adequate reply to tell them in return that we have given them the most useful and more successful weapon—the State Government. And, when you consider the use they have made of the weapon to strike, in the thirty-three months that preceded the operation of the Kansas law there had been called in the Kansas district 396 strikes, an average of more than 11 strikes a month, and those strikes had gained for the mining population in monetary victory the total sum of \$778.94. It had cost them in loss of wages \$1,600,000 and they had paid out of their own pockets from money they had earned the sum of \$157,000 on strike benefits. Oh, surely, surely, government may do better for these unfortunate people than that.

The Case for the Open Shop

By JOHN W. O'LEARY
Vice-President, the Chicago Trust Company

IT IS apparent from our experiences of the past that we cannot hope for efficient production under a closed shop or organized labor control.

Unwise leadership has chosen to restrict production wherever organization had secured control of an industry or an establishment. Each succeeding increase in wage has been followed by a decrease in output under stringent rules. The flagrant abuses in the building trades are familiar to all of us and are only indicative of similar abuses wherever organized labor has secured control over industry. The inability of wages to ever overtake cost of living under such practice is so apparent that it is difficult to understand why it is continued. The fact that there have been so few organized industries, as compared with the independent ones is all that has prevented disaster before this.

I can see but one permanent remedy for this condition, and that is the adoption of wage system based on production. The employer must assume responsibility for development of such systems. They must be fairly based, so that an honest day's work will produce an honest day's pay. Beyond that, the individual workmen should be unrestricted and every effort made to encourage a maximum of output. The result

will be a high real wage, rather than a high money wage, a participation in profits of

industry and a benefit which will reach the public. Shorter hours will be possible and, not least of the advantages of such system, will be contented men. It is unnatural for men to be contented under a program of work which requires them to kill time, and nothing quite equals the satisfaction of accomplishment of a real task.

The establishment, as a unit of production, is of equal importance in our responsibilities. It is difficult to develop any effective means of sympathetic relationship where management is far removed. It is dangerous to such relationship to permit an outside interest to intervene. Such intervention or interference brings a separation rather than a unification. I know that it is contended that employees can only express themselves through men trained in fighting their battles. But such contention is based on a wrong conception of American industry. It is based on a vision of industry today which pictures a great corporation with millions of capital and management far removed from the individual worker. Yet 95 per cent of the manufacturers of the United States employ less than 100 men, and 98 per cent less than 250.

The Trade Commission in Court

PRODUCTION data may prove to be out of the reach of the Federal Trade Commission. That would seem to be the result if the Supreme Court sustains a court of the District of Columbia in the position it announced on April 19.

Curiously enough, the Commission's first bulletin of production data for the coal industry appeared in the newspapers on the same morning as the court's decision, holding that in exacting this information the Commission was going beyond its powers, and beyond any powers Congress could confer upon it. This first bulletin, however, had not come up to the expectations the Commission described in January. It then promised a monthly bulletin of the results of its researches; it now mentions a quarterly announcement. It at least implied that its reports would be relatively complete; its present data are from only one-third of the number of coal operators.

All of this goes to demonstrate once more that, in the course of statistical investigations and compilations, realization encounters many practical difficulties which are much more obvious to hindsight than to foresight. Apart from the circumstance that the inherent difficulties prevent realization of the original expectations, the first data published have some staleness. They show that, in general, the cost of mining coal was at least 10 per cent more in January, 1920, than in January, 1918, but January, 1920, was some time ago, in the coal business.

The Court Upset the Plans

FOR meeting its own expenses in the collection of production data the Commission obtained from the present session of Congress \$150,000. In January it began with the production of coal, coke, iron, and steel and their products, requiring the concerns in these industries to make elaborate reports monthly respecting production, costs of production, and sale prices. The Commission then had plans for subsequently making similar requirements in industries producing lumber, textiles, leather, meat, and cereals.

At this point, however, the courts of the District of Columbia intervened on April 19; a coal company with mines in Kentucky and Ohio demurred to the Commission's demands to the extent of asking the courts to stop the Commission, and the Commission itself could scarcely be averse to having its powers and their limitations developed through the courts.

The judge before whom the question has come is in no doubt about the Commission exceeding not only the powers Congress had actually given it, but also any powers Congress could confer. In other words, the court held that the circumstance that a company engaged in mining coal shipped some of its product into another state does not "subject its business of production" to any powers allowed to Congress under the Constitution. As for the Commission, the court thinks it has taken steps "to require information and reports not relating to interstate commerce," i.e., as to the mining of coal and the prices at which it is sold.

The court does not find there are such circumstances in the

One tribunal has ruled that the Federal Trade Commission exceeded its powers in collecting coal production data; the body now claims to have the final say in what comprises unfair competition, and it devolves upon the Supreme Court to settle the argument

case as to cause exception to the principles it has stated. It points out that the information is not sought in connection with any offense against the federal government alleged to have been committed by the coal company. Consequently, it would seem an aggravation that, in order to supply the data demanded by the Commission, the company should have to keep special records, make special calculations, and prepare special reports.

Another case is thus put into course for attention from the United States Supreme Court, for the decision of the court in the District of Columbia will undoubtedly be appealed by the Commission. Meanwhile, the Commission has not officially announced the course it will follow respecting production statistics, but some of its officers have said it will continue to gather the data, depending upon voluntary cooperation from the industries, and in the event it wins in the Supreme Court it will then proceed to collect penalties from recalcitrants.

Events were numerous for the Commission around April 19. On April 21 its counsel argued a case already before the Supreme Court and involving important questions with respect to methods of unfair competition. "Full-line forcing" was the method the Commission declared was in use by the business houses that were defendants in the case; they were alleged to refuse to sell steel ties for cotton bales unless the purchaser bought from them also the bagging necessary to cover the same bales.

The lower court held that the Commission had no jurisdiction unless there was a general practice affecting the public generally, and that the evidence did not disclose such a state of affairs. Before the Supreme Court the Commission argues that its judgment about what constitutes unfairness is final, and not subject to review by the courts, unless there are excep-

tional circumstances, such as a question of constitutional right, a question of arbitrariness on the part of the Commission, or a question of its exceeding the powers conferred by Congress. The question of unfairness as to any act of competition in interstate commerce would thus become administrative. Against any conclusion that the Commission should be confined, under existing law, to dealing with general practices the Commission protests, as well as against being required to show that an unfair method of competition against which it proceeds affects the public; in its opinion, the reference of the law to the public interest merely gives it discretion as to whether or not, in a particular instance, it should put its machinery into operation. According to the Commission's construction of the law, it may, in its discretion, act upon the complaint of an individual against a single competitor with respect to one act of unfair competition in interstate commerce.

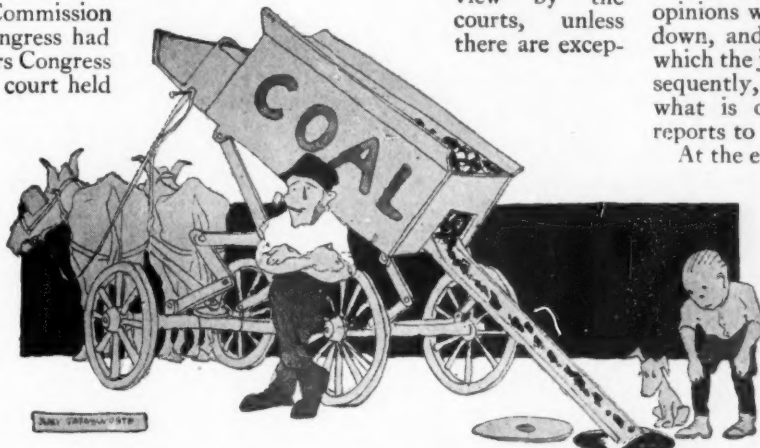
Fair methods of competition have some description in the Commission's brief. They are "based solely upon relative production, selling costs, and efficiency; unlawful interference with these essentials of competition constitutes unfairness." "Any method employed in competition which produces such interference must prevent competitive units from competing as severely as their relative costs and efficiency would warrant, and becomes an unfair method." In this instance, "the innocent practice of selling ties and bagging together, evolved as an economic service feature, was transformed into a weapon of compulsion"; when the former were scarce, a concern which controlled a large supply refused to sell unless its bagging went with the ties.

When the Supreme Court has rendered its opinions in the cases it is likely to decide in the next twelve months about the Federal Trade Commission, all of us should be considerably wiser about the law and its applications.

A Book on Bad Practices

UNFAIR COMPETITION might be the title of the volume of the Federal Trade Commission's decisions, which has now come from the press. These decisions are the findings of fact, the conclusions, and the orders entered in more than 200 formal cases before the Commission to the end of June, 1919. The volume is wholly lacking in the reasoned opinions which American courts usually hand down, and which explain the reasoning with which the judges reach their conclusion. Consequently, the present scheme sets out only what is ordinarily omitted from the legal reports to which the country is accustomed.

At the end there is a table of about 150 commodities to which the proceedings have related, ranging pretty well over the possibilities from animal fats to yeast. There is a more extensive index by unfair methods of competition, with references, for example, to all cases involving the different types of discounts that have been brought into question and several pages of different forms of false advertising that may be unfair.



Listening in on Congress

Wit and fancy rescued from the oblivion of the "Congressional Record" and presented here as an intimate picture of our lawmakers as they struggle to get the will of the people on the statute books

IN THESE DAYS when there are deep and guttural murmurs against burdensome taxation, Congress is straining its eyes to cut off unnecessary expenditures. Hence the Gentleman from Texas views with displeasure the cost of firing the sunset cannon at our military posts. To prove that he means no disrespect for Old Glory, he indulges in a flight of oratory anent the flags upon the capitol—and comes to grief because he has neglected to get his facts.

Mr. BLANTON of Texas: Has not the time come when we can do away with the old military custom and incident expense of firing a cannon every morning and every evening at the various military posts of our nation? There is good reason for the ceremony of raising and lowering the flag, but there is no necessity whatever for this expense of accompanying it with the firing of a cannon. Old Glory is raised over this Capitol every morning without the firing of a gun, and is lowered every evening without the firing of a gun, and here in Washington my distinguished colleague has no cannon to wake him in the morning at Congress Hall. Why does he need one in San Antonio to wake him up?

Mr. BEE of Texas: Oh, I never participated in a discussion of clock or a discussion of San Antonio. I am talking about a great national question, and I want to say to my colleague from Texas that as a rule the flag is raised over the Capitol in the morning and lowered in the evening as they raise it over every schoolhouse in this land, and I hope the Army of the United States, the symbol of the defense and the strength of the people, will continue by the firing of a gun to pay its respect to that flag.

Mr. FOCHT: Mr. Chairman, as I entered the Chamber I heard the beautiful tribute that was paid to the American flag by one distinguished Member from Texas [Mr. BEE], and then later on it was even more glorified by another Member of Congress from Texas [Mr. BLANTON]. Both gentlemen talked about how Old Glory was unfurled in the morning and taken down in the evening from over the Capitol. As a matter of fact, I will state to these two enthusiasts from Texas, whose love for the flag is so great and whose historical knowledge of a certain fact is so deficient, that the flag over the Capitol is never taken down; that there are four places that the flag floats on continuously and forever, namely in front of the Capitol, in the rear of the Capitol, over the House Office Building, and over the Senate Office Building.

Mr. BLANTON: I want to correct the gentleman's research in preparing for his flag speech. He got his data a little bit mixed up. If the gentleman had availed himself of the opportunity which was accorded every Member of Congress as well as the people of Washington to hear the splendid music which is rendered out here once a week by one of our marine bands, right here east of the Capitol during the summer months, he would have known that there is one flag upon this Capitol that at least one day in every week is lowered.

Because when that great Marine Band has played the Star Spangled Banner out here on the east side of this Capitol every Member of this Congress who has attended those exercises has seen that flag lowered during the playing of it at sunset.

Mr. FOCHT: Will the gentleman yield?

Mr. BLANTON: I yield.

Mr. FOCHT: Why, now, the gentleman with his vociferousness only emphasizes his ignorance, because my assertion and statement here is well understood by every person of intelligence. I

YOUR Congressman—and your Senator for that matter—is a most human sort of person. He does not always assume a Websterian frown and thunder in ponderous syllables upon subjects so complex that it makes your head ache to think about them. In the interchange upon every-day subjects "on the hill" there can be found many a gem of wit and philosophy. It is for the sole purpose of regaling our readers with these that we present here passages from the *Congressional Record*. We conceal no dark or hidden political purpose in any of them.—THE EDITOR.

regret that the gentleman cannot comprehend the statement.

Mr. Clark on the Bonus

THE former speaker is in favor of doing a lot for the soldier and he comes right out and says it. From which he expands upon the general distastefulness of taxes and relates the tale of the Washington clerk who sold him the shirt with the red stripes.

Mr. CLARK of Missouri: Mr. Speaker, my situation here late in the evening to make a speech reminds me of the tale that Amos Cummings used to tell. He said that some Member from Pennsylvania who was making him a campaign speech here one night with a slight attendance was reading his speech in a low voice and some wag kept asking him to raise his voice so that they could hear, and after a while he got tired of it and he said, "I do not care whether you men hear me or not; the people down in the Cumberland Valley of Pennsylvania will hear me [applause and laughter], and I am speaking to them." Now, I am going to make a speech here for the man in the street, the man at the cross roads, the ordinary citizen who does not know a thing in the world about parliamentary procedure here.

I am in favor of a bonus or compensation of the soldiers during the Great War. [Applause.] Always have been in favor of it. In my judgment, there is nothing too good for our soldiers.

Of course, you can not pay these soldiers this compensation or bonus without getting the money somewhere, and the only way we know to get money for the Government is by way of taxes. No human being ever liked to pay taxes. I will give a hundred dollars to see the color of a man's hair and the cut of his eye that will make an affidavit that he enjoys paying taxes like he used to enjoy going to see his sweetheart. There is no such man. [Laughter.] Legislators do not like to levy new taxes. It is an unpleasant job, and Brother FREAR gave the real reason for it, or one of them, and that is that it might affect you at the coming election.

Let me say that Congress never ought to pass a bill that has in it more irritation than revenue, or one that will produce more irritation than revenue. [Laughter and applause on the Democratic side.] The irritation will surely come. I had an experience about this thing not long ago. I wanted a dress shirt, so I went down to Parker

Bridget's and got me a dress shirt for \$2.50 and there was not any of this luxury tax on that. I gave the clerk who sold it to me a \$10 bill and told him to get the change out. While he was getting the change I looked into a showcase and I found there a fine shirt with small red stripes, and I like to wear that kind.

During the war you could not get a shirt with red stripes in it that would not fade out. I said to the clerk, "What is the price of that shirt?" He said, "Three dollars." I said, "Give me one and take it out of that \$10." When he came back with the change the boy did not have change enough. I said, "You are gouging me out of 30 cents. What is that for?" He said, "That is because of the sales tax that you damned fools enacted up there in Congress." [Laughter.] Now, that is the tax that every man kicks about when he pays it.

Of Cows and Politicians

IN WYOMING they have a poor farm—one of the very few—that desires to increase its acreage. The additional space is for the farm herd and is not made necessary through any increase in patronage. The discussion turns upon the habits of the gentle cow and those of politicians.

Mr. WALSH of Massachusetts: I just want to ask the gentleman from Wyoming if this tract of 1,904 acres will be the only poor farm in the great State of Wyoming if this patent is authorized?

Mr. MONDELL of Wyoming: Mr. Speaker, I do not know that I can accurately answer that, but I think this is one of the very few poor farms in the State.

Mr. WALSH: I am a little bit surprised, because in the great industrial States it has been claimed, and I think with some justice, that one of the beneficent results of the Volstead law has been to close up some of the poor farms, and we find now that as the result of the enactment of that legislation we must create a 2,000-acre poor farm in the State of Wyoming.

Mr. DYER: Wyoming has been prohibition for many years.

Mr. WALSH: Possibly that explains it. [Laughter.]

Mr. MONDELL: That explanation is satisfactory.

Mr. GARD of Ohio: What is the purpose of putting an addition of something like 1,904 acres, more or less, to a poor farm, and how much acreage has the present poor farm?

Mr. MONDELL: I think the present acreage is perhaps upward of 200 acres, possibly as much as 300 acres. The land which they now desire to acquire is the rough, rocky, broken, brush-covered hill land lying back of this little mountain stream, land which they have used as a grazing ground for the small herd of cattle they have had in connection with this farm.

Mr. GARD: How are these poor, lame, and halt people who have met with adversity in the State of Wyoming going to get the cattle in on this reservation of 1,904 rocky acres?

Mr. MONDELL: It is not a difficult thing to drive the cows home.

Mr. WALSH: They will roll down hill. [Laughter.]

Mr. MONDELL: If the gentleman had had the great good fortune, as most of us did have, of having been born on a farm he would know that the cows come home in the evening.

Mr. GARD: Is there anything on these 1,900 acres that the cows can eat?

Mr. MONDELL: Yes; grass. While it is sparse, it is good.

Mr. GARD: Have you to arm each cow with a searchlight to find the sparse grass?

Mr. MONDELL: No. They find it.

Mr. WALSH: The gentleman from Ohio does not think that the State of Wyoming would want this land if it were useless.

Mr. MONDELL: It is not useless. It will make an excellent pasture for these cows, but it takes a good many acres to support one of them.

Mr. BLANTON of Texas: Mr. Speaker, will the gentleman yield?

Mr. MONDELL: Yes.

Mr. BLANTON: If the gentleman will permit me, I will state to the gentleman from Wyoming that the cows, as well as the politicians in Wyoming, are energetic and vigilant, and if there is any grass there they will find it. [Laughter.]

Where the Paper Goes

THE Senator from Montana having related the sad story of one Mr. Will A. Campbell, editor of the *Helena Independent*, who received identical publications from the same government department—one addressed to Mr. Will A. Campbell, one to Mr. W. A. Campbell, and one to the editor of the *Independent*.

Mr. SMOOT: Mr. President, along the line of the observations of the Senator from Montana I will say that I have no doubt that there is not a business man in the United States who does not receive every week in the year over 100 circulars of the same kind from the departments of our government. Not long ago I had a business man collect for me the publications and documents received by him in the course of three days and in those three days, as I remember, 165 government publications were received by that one business man of Kansas.

Mr. BRANDEGEE of Connecticut: Government publications?

Mr. SMOOT: Yes; government publications. I asked him to send them to me just as he received them. I opened the envelopes containing the publications and sorted them out. There were 11 of one kind from different departments of the Government, word for word alike, and there were 8 of another kind word for word alike. Talk about the waste of paper! It is wicked on the part of the Government of the United States.

Mr. SHERMAN: Mr. President, the Senate has been very economical in the space occupied by it in the *Record*. I have refrained from disturbing the Government Printing Office greatly during this session. I have had the impulse, but have succeeded in resisting it.

Mr. Sherman ended his remarks with the suggestion that "the departmental mail has become a public pest even to the newspaper men. These knights of the paste pot and shears are entitled to protection from governmental activities along this line, and they are asking for it, and I think, it being in the line of economy of print paper, that it would be well for the department to heed their demand."

Mr. SMOOT: Mr. President, just a word in relation to the printing that has been ordered by the Senate. I have had extracted from the *Congressional Record* of the proceedings of the

Senate all of the speeches that have been delivered on the Peace Treaty. I have had them bound in one volume, which I have here upon my desk. This [exhibiting] is the result. There are a few over 3,000 printed pages, containing an average of 2,100 words per page, or a total number of words of 6,300,000. Those represent the speeches delivered on the floor of the Senate. I started to segregate the pages of matter that have been inserted in the *Record* at the request of Senators, including newspaper articles, editorials, and letters from citizens; but it soon developed that it was altogether impossible to put them in any reasonable number of books. So it was concluded to abandon the effort. This shows, Mr. President, where we are drifting; and I hope that the Senate, sooner or later—

THE VICE-PRESIDENT: Is that a public document?

Mr. SMOOT: No; it is not a public document. It is a collection I have made of all the speeches, printed in one volume.

THE VICE-PRESIDENT: It would be a good thing to have it printed as a public document.

Congressional Cockroaches

OFFICIALS of the Smithsonian Institution will no doubt be chagrined to learn that the House Office Building boasts a collection of animal life that bids fair to surpass their own. Furthermore, while the Institution's exhibits repose in lethal placidity under glass cases, the wild things that infest the offices of Congressmen roam at will, devouring valuable books and stationery.

LEGISLATIVE

House Office Building: For maintenance, including miscellaneous items, and for all necessary services, \$19,505.20.

Mr. BARBOUR of California: Mr. Chairman, I move to strike out the last word. I wish to ask the chairman of the committee a question: What is the meaning of the words "including miscellaneous items, and for all necessary services," in line 9?

Mr. GOOD of Iowa: It includes all expenditures for the maintenance of the House Office Building except heating the building. Everything necessary for the maintenance of the building except the heating is included.

Mr. BARBOUR: I should like to ask the chairman, further, if that contemplates the expenditure of any money for the purpose of eradicating the mice, cockroaches, and other vermin that infest the House Office Building? [Applause.] I ask that question for the purpose of calling attention to what I consider a very deplorable condition existing there.

Mr. GOOD: It would be paid out of this fund. The whole question of superintending that work is under the jurisdiction of the House Office Building Commission.

Mr. BARBOUR: Then I think something ought to be done to jack up this House Office Building Commission, or the superintendent, or whoever it is that is responsible for those conditions. I have got a collection of bugs in my office that I dare say will compare with anything in the Smithsonian Institution. [Laughter.] They have ruined a large supply of stationery which I recently received and which was charged up to my stationery account.

Mr. BLANTON of Texas: I will ask the gentleman whether there is any bug juice over there? [Laughter.]

Mr. BARBOUR: I have had the superintendent of the office building spray a solution, supposed to be an insect destroyer, three or four times around my office, and afterwards the bugs seemed to be larger than they were before.

Mr. JUUL of Illinois: They got fat on it.

Mr. BARBOUR: They have even eaten the covers off the books; and I think it is time that somebody who is responsible for this condition sat up and took notice of what is going on over there. There are enough employees sitting around in the House Office Building warming chairs and apparently doing nothing but drawing their salaries, so that, it seems to me, they could put things in a somewhat decent and livable condition there.

An Inside View of the Capitol

FROM the outside, the capitol is quite an impressive and satisfying building. But if you had to spend your time in it you might discover—as Mr. Clark has done—that its designer left much to be desired. Furthermore, he strengthens the position of certain citizens who have contended that there are altogether too many congressmen.

Mr. CLARK of Missouri: The man that got up this Capitol Building ought to be dug up and hanged yet. [Laughter.] This Hall and the Senate Chamber are rooms inside of rooms. That is the reason why Members and Senators die here so frequently. There is an unhealthy atmosphere here.

Now, I do not have any doubt about what ought to be done about the size of this House. It is too big. There ought to be a constitutional amendment passed fixing the number of Members of the House at 300, or thereabouts, and keeping it there. [Applause.]

Mr. CAMPBELL of Kansas: I have a very distinct recollection that I led off here 10 years ago trying to reduce the membership of the House to 225 Members, and the gentleman from Missouri [Mr. CLARK] was one of the strenuous advocates of increasing the membership. [Laughter.]

Mr. CLARK: Well, a man ought to learn something in 10 years' time. [Laughter.] I have never had cause to complain about the acoustic properties of this Hall. I have a good strong voice and articulate properly [laughter] and people can hear me. But for the average Member with the average physique and the average voice this House is a pretty tough place in which to undertake to make a speech.



Industry's Old Man of the Sea

War Taxation is his name. Our productive organization must sustain, during a critical transition period, special departments to tell it what the revenue laws mean and how to obey them

By DANIEL C. ROPER

Former Commissioner of Internal Revenue

I BELIEVE that the expense to the taxpayers of complying with the present law is much greater than the cost to the Government of administering the Internal Revenue Laws.

Congress appropriated last year approximately \$25,000,000 for the administration of the Internal Revenue Bureau. The money paid out directly by tax-payers in their endeavor to comply with the law last year amounted in my opinion, to no less than \$100,000,000.

Not only are thousands of men and women, already staggering under this burden of the extraordinary problem of reconstruction, further burdened by the brain fagging intricacies of invested capital and the differentiation between what is income and what is not, what may and what may not be deductible, etc., but in the final analysis they are put to the necessity of employing lawyers, accountants and engineers at much expense to calculate tax liability. They must employ extra clerical help, install and maintain special records, and in many instances, overhaul entire systems and methods of accounting, which may be adequate for ordinary business purposes, but which do not enable compliance with the tax laws.

A Premium on Losses

A GREAT deal of the best brains and ability in the United States is devoted to the work of attempting to solve the insoluble problem of how to make profits that are not taxable, not to mention the less laudable and more rarely encountered attempts to conceal taxable income. Men are heard to boast of losses sustained that may be deducted but lament gains that are unavoidable and on which tax must be paid.

Useful enterprises are not organized, and production discouraged by this condition; mining of minerals, ore, and coal is deferred or curtailed and timber ready to be cut is left standing because interest charges on such operations appear to be more than offset by the greater net profit to be made eventually under the lesser tax that is anticipated in the future. It would be a long list indeed that would describe the uneconomic, unhealthy and repressive, and often unsavory business practices that are engendered by this condition.

THE patient corridors of time have echoed to many a tumult over taxation. Kings have lost their crowns—and their heads for that matter—as a result of it. The present-day business taxpayer floundering in a maze of technical provisions and exceptions is likely to lose his mind from the same cause.

Few matters plague the business official more than the scourge of inequitable taxes. Mr. Roper figures that it costs the taxpayers about four times as much to try and obey the present tax law as it costs the Government to administer it. What Mr. Roper has to say is doubly interesting; as former Commissioner of Internal Revenue he had every chance to become familiar with the inside of the law itself. Now, as president of the Marlin-Rockwell Corporation of New York, he can see the effect of the measure upon productive business.—THE EDITOR.

Let us not forget, however, first that the war revenue laws, hastily and imperfectly enacted as they were, drew into the Government Treasury the revenue needed for immediate war requirements. Second, they have created a tremendous administrative agency for verifying returns in the effort to affect equitable distribution of the tax burden. Although the clearing away of this accumulation of work will be costly to the Government and taxpayers, it cannot be avoided. Third, experience has demonstrated the desirability of thoroughly revising the excess profits law as quickly as possible and of enacting new legislation which will produce needed revenue without such deterring effects upon industry and thrift, and without such delays in getting the money which is owing to the Government into the Treasury and that which is overpaid back to the taxpayer.

A question of the first importance has been and continues to be: What proportion of this war tax burden shall this generation be required

to carry. It is my contention that with a League of Nations for the encouragement of future peace, we would be able to give thereby to future generations a *quid pro quo* for the money spent for the war and we could with propriety then extend the tax burden further into the future. I also have the conviction that this could be accomplished by Congress authorizing the return annually for five years of bonds to run, say, fifty years in the amount of one-third of the taxes to all individual and corporation taxpayers whose taxes amount to as much as \$150 in a single year. The effect of this would be to reduce immediate taxes by 33⅓ per cent, foster savings habits, encourage industry and transfer to the next generation only a fair proportion of the war tax burden.

After all, the thoroughly ethical, equitable and expeditious administration of heavy tax laws will continue to be the most important problem before the American people. In view of this, the law should be made as simple as possible, thus relieving the taxpayer and the Government of the extravagant expenditures for expert help in the preparation of returns and in auditing the same. This would also tend to expedite the measurement of the tax liability. Simplicity of law tends to build moral fiber and promote honest dealing. Complexity tends to suggest methods of avoidance and dishonest procedure. These facts can not be too forcefully kept before the lawmakers; they must also be constantly impressed with the necessity of their being as much interested in equitable and impartial application of the law as in its organic construction. There must neither be preferential treatment in construction nor in administration.

It Didn't Change Human Nature

AS already stated, the excess profits tax needs no defense as a war measure. With the cessation of the war, the situation changed. The allied governments, including the United States, dropped out of the market and American industry lost its best war customer. Readjustment on a nation-wide scale was imperative and in the process the usual law of supply and demand reasserted itself. Inequities in



taxation which had escaped notice or been condoned now attracted serious attention.

There is a tendency to saddle on the excess profits tax too great a proportion of present industrial difficulties. It is a factor in prevailing high prices, but not the only factor. Human greed was not abolished by the signing of the armistice. Unfair profits will continue as long as wanton extravagance runs riot in the land. It is charged that the excess profits tax encourages reckless expenditures in business, particularly for good-will advertising. There is much evidence that this is true, but I cannot help but feel that the business enterprise that engages in extravagance of this kind for the purpose of turning to its own advantage that which rightly belongs to its government, pursues a dangerous and shortsighted policy.

However, our present excess profits tax has outlived its usefulness and should now be greatly modified. The invested capital puzzle should be buried in the archives of war history. It should not be the program of business men to act in small selfish groups in their relation to the future tax program of the country, but to get together in a national way and support a broad and comprehensive

program. The development of a permanent tax plan that will produce the revenue required by the Government, and will distribute the tax burden fairly and equitably, should be the aim of every one. A satisfactory system can be devised and enacted into law only through the cooperative effort of taxpayers, representing all branches of trade and industry. Individual interests must abandon plans looking to preferential treatment in their particular lines and consider the general result. In no other way can organized business win the confidence of Congress and make its influence felt. It must speak with a united voice for all the people.

A University's Foreign Branch

WITH the idea of extending foreign trade instruction and the study of Spanish along practical lines, Boston University announces the establishment in Havana, Cuba, of a branch of its College of Business Administration. At the Havana branch, courses parallel to those in Boston will be given in both English and Spanish, and plans are made for the transfer of students from Boston

to Havana, there to carry on one or more year's work as a part of their regular college program.

The Havana branch is supported by a Board of Guarantors headed by President Menocal of Cuba, which comprises representatives of the leading business houses of Havana. The course of study and the work of the college in Havana will be under the direction of the authorities of Boston University, and the degree of Bachelor of Business Administration (B.B.A.) will be given by Boston University on completion of the four years' course either in Havana or in Boston. Young men who wish to include study in Havana as a part of their college course will be required to spend at least their freshman year in Boston taking an intensive course in Spanish and other preparatory work.

Arrangements have been made for these students to live with private families so that, while carrying on their college work in Cuba, they will have the best possible opportunity to learn the language and customs of the people. Similarly Cuban students will be transferred to Boston and given equal opportunity to learn the English language and American ways.

A Tax That Has No Friends

Not even the sponsors of the Excess Profits measure can do more than apologize for it.

There is some comfort in the thought that, since no one wants it,
the days of its life are numbered

By GEORGE T. BUCKINGHAM

THE excess profits tax encourages over-capitalization, slack management and extravagance. Why should any manager be economical and efficient when it pays as well not to be. It penalizes brains, energy, thrift, and sound business methods. In its effect on the business structure it is demoralizing, beyond any economic force the country ever had.

It is generally agreed to be the chief pillar on which rests the temple of H. C. L. And above all it is rapidly defeating itself, since the so-called "excess profits" tend rapidly to disappear. In a year or two none will remain. It is a revenue law, based on a "soap bubble." Its sponsors apologize for it; its administration is physically impossible and has confessedly broken down. Nobody defends it, and its days are numbered.

The business man naturally inquires what is to take its place; what is to fill up the revenue void left when it becomes an unhallowed memory. There is no lack of suggestions. Many bodies of citizens have been considering this question, and their views may be said to roughly fall within two well-defined schools of thought.

One school favors a large measure of indirect taxation. This school believes that larger duties should be levied on our rapidly increasing imports and that a direct tax should be levied on sales. Some favor a tax of 3 per cent on retail sales only, others, and I think the more numerous group, favor a tax of 1 per cent on all sales. By the best data obtainable either plan would raise about \$2,000,000,000 annually. It is argued, in support of this proposal, that this tax is certain and is simple.

The other school favors a mere readjustment of income taxes on corporations and on individuals. This is, in effect, the Treasury

plan. It would do away entirely with the ascertainment of "invested capital" and would levy a flat tax on corporate earnings. This would greatly simplify administration. It might go so far as to place all the tax on individual incomes, except only a flat rate on corporate undistributed earnings. This would place corporations and their stockholders, relatively just where partnerships and partners stand today.

But from the standpoint of the tax-payer there are certain things which should be kept sight of, in any new income tax law, based on any plan.

1. First and most important, the "invested capital" standard should disappear from the face of the universe.

2. Our income tax levies should not be a levy on capital transactions.

A government must keep capital in existence if it wishes to tax its earnings. Capital can be taxed out of existence, but in that case it will not afterward produce earnings. Figuratively stated, the government can take beef or milk, but not both.

3. Any new revenue law should decentralize and localize the assessing power. At present, all assessments are made at Washington, thousands of miles from the tax-payer. It is impossible to assemble there enough accountants and lawyers and business men to accomplish this vast task, and so the assessment is years behind, and the system has practically broken down. We have a Federal Court in every locality. We have a reserve bank in every locality. We had a draft board in every locality. We had a capital stock issues board in every locality—all of course directed from Washington and with final appeal to Washington. For the same reasons we should have local boards of assessors in every locality so that a taxpayer

could have his assessment made certain and definite at once without the trouble and expense of going to Washington about it.

4. Linked with this is the imperative necessity that all assessments be made certain and final before they are paid; and that they may not be reopened afterward except for actual fraud. As it now stands a tax-payer is never through. He files his returns and pays his tax. At any time or at any number of times some agent reports on him and an additional sum can be assessed. There is no finality. Field agents inspect him and reinspect him. Most of them arrive at different conclusions on the same facts. In many cases they consume the time and energies of tax-payers and their employees for weeks or months without any benefit to anybody. In other cases they apply some new Treasury ruling or some recent court opinion to the already known affairs of years ago and reach a money result totally different from their own former conclusions. In such case the tax-payer is invited to pay again. In some cases this amounts to thousands of dollars. I know of many such cases pending now involving in the aggregate millions of dollars—some of them for taxes which, if due at all, were due in 1916 or before.

I insist that this question of administration is one of the most vital aspects of the tax problem. I have heard few complaints from large tax-payers of the amounts they had to pay. But I have heard hundreds of complaints of the inequality of taxes paid as compared with other tax-payers and thousands of complaints about these administrative features, and particularly the annoyance caused from perennial and successive reexaminations, and the resultant post-mortem and ad-in-finitum assessments.

*The Business Man's America—No. 3***WISCONSIN**

This northern commonwealth has put "Sis Cow" on a sound business basis and has made its university a center of training that has enabled the farmer to overcome all natural handicaps

By ARCHER WALL DOUGLAS

LYING in the darkness of Belleau Wood, waiting for what they knew would be as severe a fight as the war had seen, the young soldiers from Wisconsin lifted their voices in song. What tune do you think this grim and patient chorus chose? It was not "America" nor "The Star Spangled Banner."

They sang "On Wisconsin," the great football song of their state university.

All phenomena have their causes. This was no exception. The university at Madison has done wonders for the state. Its work has created in the people a feeling of grateful responsibility that is the driving force of their progress.

In Wisconsin the lumberjack left behind him legions of fine large stumps. They were rooted into the

soil with a natural tenacity that made their extraction a most tedious and expensive form of dentistry. The heroine of the fight against the stumps was the dairy cow.

She grazed around the roots. Useless underbrush was transformed by her generous udders into white wealth. Back of her and her owner was the university. It experimented, watched, advised; it went to the farmer in his furrow to tell him of the chemistry of his soil and of the practical science of his business. The results that Mr. Douglas describes were inevitable.

There are scores of districts in the United States with problems similar to those of Wisconsin. If they have not been so successfully met, the reason may be found in this story.—THE EDITOR.

IT IS one of the traits of human nature, typified in well known verse, that all things look good at a distance, and that it needs this distance to lend enchantment to the view. This trait finds constant expression in a lack of knowledge and of comprehension that the things which most concern us and our welfare are near at hand, and that the pot of gold is close beside us, if we can only see it, and not at the end of the rainbow.

In every state in the Union the unceasing problem was, and is, and always will be, the development of such resources as fortune bestowed upon the commonwealth. If the resources be not immediately obvious, then arises that test of the people as to whether they are content to accept surface indications and go no further than to utilize in a conventional way such resources as are thus apparent, or whether they have that inquiring mind and natural initiative which determines to test to the uttermost the possibilities of the situation.

It was at one time noteworthy of certain sections of New England, and of the South, that they accepted without question the prevailing opinion that they were not fitted for such agricultural industries as dairy products, poultry raising and fruit production, either because they placed extravagant and unwarranted stress upon manufacturing on the one hand, or upon cotton culture on the other.

There are certain limitations to various industries in every phase of human endeavor which may be imposed by climate, soil or some other handicap which cannot be overcome in an economical manner. But the real genius of the people consists in the realization and perception of just how far their state can go in certain productive ways and where the line may safely be drawn. And of this stripe and this breed are the people of Wisconsin. For the study of Wisconsin was made on what the state possessed in resources and what had been done with them. Then there ensued the problem of how far further development was likely to proceed and what was the probability of its continuing endurance.

In the survey of every nation and people the climate is the matter of initial and prime importance, and that of Wisconsin does not appear very inviting—on paper—so far as figures and statistics are concerned. But

the climate is known as continental, or peculiar to the interior of a continent quite distant from the ocean—which means that there are wide variations of temperature, with cold winters and often rather hot summers. The modifying influence of these extremes of temperature is found in the two great lakes, Michigan and Superior, which wash the shores of Eastern and Northern Wisconsin, and which exercise a profoundly favorable influence upon the climate of a large section of the state.

The rainfall in the state is remarkably uniform, the annual mean being 31 inches. The seasonal distribution, which is the important factor, is especially favorable, as 50 per cent of the annual precipitation occurs in the five growing months from May to September.

The soil is essentially the great wealth producing factor in the state, but it is not of that richness known in the black lands of central and northern Illinois, nor in the alluvial lands of the Mississippi river. Moreover, the percentage of improved land to total area of the state is only 33⅓ per cent by the Federal census of 1910.

Much of the surface is covered by forest and woodland, much by swamps and peat bogs, much by cut-over pine lands, now grown up in almost impenetrable second growth thickets, much of it is rough hilly country, very difficult of cultivation. Yet despite these facts the state stands among the leading commonwealths in every phase of intelligent, progressive agriculture.

Much of this is due to the initial impulse and the continuing education, given by the Agricultural College of the great State University which crowns the heights above Lake Mendota in Madison. In this democratic institution of learning practically everything is taught, from how to milk a cow to a lucid interpretation of the Nebular Hypothesis, and all with like thoroughness and impartiality.

But beyond this, and added to this, were the scientific experiments and laboratory studies which sought to find the fundamental sources of cause and effect. There was soil analysis, intended to cover all the arable land in the state so that there might be known, not

only the constituents of the soils, but also what they lacked that might be supplied by artificial fertilizers. There were studies of the life history of predatory insects, the worst enemies of the Farmer, so that means might be found of destroying them and preventing their ravages.

Countless and ceaseless experiments were made to determine the nature and quality of agricultural products best suited to the soils and climate of the state. Then there went forth the new and startling propaganda that agriculture was best learned in school, as chemistry is taught and learned, exemplified and illustrated with constant accompanying experiments.

Taking the College to the Farm

IN this teaching the young farmer the ways of science in his calling is found the initial purpose and trend of the Agricultural College to educate the younger generation who would unconsciously, and as a matter of course, accept the modern method of farming and thus form that little leaven which was to leaven the whole mass.

It required only the most elemental thought to realize that few of those who should be taught ever could, or would, attend the University and the Agricultural College, and that the only other alternative was to carry the teachings of these institutions to those who would hear, in their own homes. Hence arose University Extension Work which reaches thousands of the older farmers by means of correspondence, of special trained lecturers and demonstrators who tour the state, and with classes at certain Extension Centers taught by men of the University.

The definite and final purpose of all these teachings, both within and without the State Agricultural College, was to make the farmer an intelligent student of his business, since it requires an extent and variety of knowledge not often suspected. So as a result of seed study in all the products of her farms, Wisconsin stands in the first rank of the states as to their high grade and large production per acre.

But the students of the agricultural situation soon perceived that their job was but half done, for they were up against a larger

and far more complex problem that is as old as agriculture, and for whose solution we are, as yet, still groping in the dark. It was easy to show that large crops were usually due to greater production per acre, rather than to increased acreage. But the answer of the experienced farmer was that the only result apparent to him in such cases was a lower price for his products.

The Wisconsin trend of thought went straight to the heart of the matter and saw that there was no abiding analogy between the agricultural ways and methods of Europe and those of this country, and the current belief that the old world farmer was a better farmer because he produced more per acre than his congener in the new world was a mere superficial fallacy. There is the same analogy between the farmers that there is between the mechanics of the two worlds. In the case of America, the unit of production in both agriculture and manufacturing is man power, and by this standard the American farmer is the most productive agricultural worker in the world. Farm labor has always been, and still is, too scarce for that intensive, yet expensive, farming which is the measure of efficiency abroad. So it is that because of this high standard of man power, the American farmer competes successfully with the cheap labor of central Europe and the illiterate Mujik of Russia.

So the matter of increased production per acre, or even per man, called for the solution of two problems: a competition not only local and state wide but equally nation and world wide, and some method of distribution that shall bring closer the price received by the farmer for his products and that paid by the consumer.

The farmer is the only producer in all the world who has but little to say as to the price he shall receive for his products. Long ago he perceived this unpalatable fact, and sought to remedy it by a cooperation whose sole aim was to withhold his products from the market until scarcity caused prices to appreciate. But such efforts were invariably a forlorn failure, because the cooperative attempts were poorly conceived and even more poorly executed.

One of the most striking evidences of the peculiar common sense, and analytical trend of the Wisconsin mind, is found in the methods pursued in this puzzling study of the proper distribution of farm products. There was first a patient and thorough investigation of the facts by first hand observation, and

convert to the principles of cooperation. It was easier to organize him than to have him stay organized. His lonely life on the farm bred an underlying suspicion in his nature that was easily aroused but not so easily appeased. Likewise, his individuality was often stronger than his class consciousness.

But the idea of cooperation made a constant headway.

There are now more than 2,000 cooperative farmers organizations in Wisconsin and they are gradually extending to every phase of agricultural life. In the main they do not attempt to go to the consumer direct, save in an individual manner, as that has been found both impracticable and uneconomical. They distribute their products, in general, through some form of middlemen.

In the marketing of perishable products—milk, cream, butter, vegetables and fruit—the problem is to secure a market on the instant when needed. To hold these products is to lose them entirely. So there has developed, all over the United States, a complex and highly organized system of cooperative work in posting the producers as to the markets that need their goods, and such prices and terms as may be had.

Now, in all these things of accomplishment which have marked the progress of agriculture, the students and leaders of thought, both in

and out of the University, were, in many ways, not essaying nor advocating any methods which were original with them but the distinction lay in the point of view which prevailed in Wisconsin and the fashion in which the things undertaken were usually carried through.

The establishment of the great dairy business is a case in point. In the beginning of things there was no apparent reason why this should ever be so. In the essential matter of cheap and abundant feed for dairy cattle, and livestock in general, Wisconsin had not the same advantages as some states in more southern latitudes. Only about one-third of her total surface area was in improved land, capable of cultivation. The long cold winters, and the consequent presence of much snow covering, made care and feeding of livestock



It was estimated in 1913 that fully two hundred million dollars in wealth had come from the milk pails of Wisconsin's dairy cows which number 8 per cent of the country's total

without the slightest attempt to prove a theory in advance. Then there followed the formulation of plans which sought to solve the problem, giving due consideration to all the peculiarities of the conditions as they existed. It was found that the price the farmer received for his products ran from one-third to one-half of that paid by the consumer, and, therefore, the real solution lay in reducing the cost of distribution. There was no unreasoning outcry against the middleman in general but there were ways of dispensing with some species of middleman who had no cause for existence. One of them was the establishment of cooperative organizations among the farmers of the state so that they should do their own marketing in a large way and thus cut out a number of useless expenses.

In the beginning the farmer was not a ready

necessary during such periods, and this is always expensive. Yet in spite of this apparent lack of advantages the production of cheese in Wisconsin grew from 79,000,000 pounds in 1899 to 148,000,000 pounds in 1909, and to 290,000,000 pounds in 1918, or more than one-half of all produced in the entire United States. The output of other dairy products, milk and butter, has grown in like proportion in the state. There are now about 2,000,000 dairy cows in Wisconsin, the number having doubled in the past decade, and they constitute about 8 per cent of the total in the entire country. The value of the products of this great herd in 1918 was about \$200,000,000. There are about 3,500 factories engaged in making butter and cheese.

Of the two factors in the dairy production of Wisconsin, one is obvious and easily apparent. It is the simple and direct fact that the dairy industry has grown far more in Wisconsin than in any other state because it has largely been pursued upon a strictly business and scientific basis. In 1885 there was invented the centrifugal cream separator, which mechanically and efficiently separated cream from milk and thus made available both constituents for various manufacturing and consumption purposes. Following this, in 1890, came the invention of the Babcock Test of the amount of butter fat in milk, by Dr. Stephen Moulton Babcock, of the Agricultural Experiment Station of the University of Wisconsin. These two inventions made possible for the first time the manufacturing of dairy products on a great scale.

Outlawing the Pump

PRIOR to the invention of the Babcock Test, milk was sold to factories on the basis of the volume of milk when the true measure of the value of milk for making butter was the amount of butter fat content. Those owning herds whose milk ran high in butter fat were placed at a serious disadvantage with those whose milk ran from one-half to one-third less in butter fat. Moreover, the door was always thus left wide open for the unscrupulous producer who watered his milk or skimmed off a portion of the cream.

Following the Babcock Test came the Hart Casein Test, invented in 1907 by Prof. E. B. Hart, likewise of the Agricultural Experiment Station, which determined the value of milk for making cheese.

The further problem then ensued as to the improvement of "Sis Cow" as the unit of production. Food was first to be provided in sufficient quantity and at reasonable prices, and that was already an accomplished fact, for the preservers of green feed for livestock through the winter, the silos were being erected in great numbers. There were 64,000 of them in 1918 and they are increasing at the rate of 5,000 per annum.

Then followed the confirmation of the old adage that "blood will tell," as blooded cattle with a known ancestry were the real milk producers, compared with the "scrubs" who were guiltless of high pedigree. Then was inaugurated a set program of breeding from pure blood sires, thus substituting the pedigreed cow for the nondescript. One famous milker of a long line of ancestors gave 14,000 quarts of milk in a twelvemonth, and was a better paying investment than a flowing oil well.

The state's greatest industry is made a subject not only of study but of teaching. There are demonstration trains touring the state showing by actual and visual examples what is the nature and meaning of the dairy

industry and how it can be intelligently and profitably pursued. There are branch experiment stations of the University which carry its story all over the state. The growth of the dairy industry was a practical exemplification of the age-old principle that live stock are an essential part of every farm. For the presence of the great herds of dairy cows was the prime factor in adding to and preserving the fertility of a soil that threatened to become exhausted by constant cropping. The University is now helping to solve the great problem of the reclamation of the cut-over lands of the northern portion of the state.

Not so long ago this section was entirely covered with white pine, and upon its deforestation, there ensued a jungle growth of tangled brush. There was, and is, much hardwood left, but that is going, although Wisconsin still continues to be a large producer and manufacturer of lumber. When cleared, this cut-over section is a land of grass and clover. So the dairy cow has followed the lumberman northward, and the cheese and butter factories are treading close upon the heels of the dairy cow.

And here enters that second and greatest factor in the development of the state, the recognition both by the state and the leaders of thought, of the mutuality and obligation of patriotism between the people and the state. If the war taught us anything it was that we need to revise and enlarge our idea of patriotism so that in times of peace it shall embrace all the homely obligations of everyday life. Likewise, that as we freely recognize the call of our country for all that we can give her, that there shall be the equal recognition on the part of her rulers that they make and keep her worthy of both living for as well as dying for.

Now, in Wisconsin, the problem of service is two-sided, and the part of the state is as clear cut and definite as that of the people. And in nothing is this more succinctly illustrated than in the story of the redemption of the cut-over lands in which the University and the state are conducting a joint campaign. The soil is being analyzed and tested so that every settler may know what he buys and the agricultural uses to which it may be put. The University furnishes him, without money and without price, with every form of advice and practical aid. This extends to the social life, the sanitary surroundings, the comforts and conveniences of home, for there is full

realization that social and economic problems are twin sisters in agricultural development.

Of a like nature is the story of manufacturing in a state which has no natural fuels of any moment, save peat bogs whose usefulness still lies in the future. For there is practically no coal, oil, nor gas within the confines of the state. Yet Wisconsin in 1914 was the ninth state in the Union in manufacturing, having climbed up from the twelfth place since 1870. Such coal as she uses comes from the other states, but the backbone of her manufacturing power arises from harnessing the water power of over 800 streams within her borders.

In Wisconsin there is the highest expression of that spirit of the public school system that the real purpose of education is to develop intelligent men and women, fit to assume their duties under a democratic form of Government. The story of citizenship, what the individual owes to the state, finds its final expression in the State University, which in Wisconsin, as in the other states, has broken through the bonds of custom and tradition, and is much more than a mere institution of learning—it is the final preparation, in every material and mental fashion, for the life which every citizen of the state and country must live if the state and country are to persevere in the ways of democracy.

Laws Founded on Common Sense

IT is this that marks and distinguishes the State University from all other forms of higher education that have ever preceded it. The one thing which it seeks to impress upon the boys and girls in its portals is that as the state has done its duty by them, there arises the reciprocal obligation that they shall make the state a better and fitter place for humanity to dwell in.

Out of all this there has emerged a code of laws and a set of practices which has placed Wisconsin in the front rank of the states in all the progressive and beneficial policies of a commonwealth in relation to its people. The common sense, the practical utility, the far-seeing vision, and the far-reaching beneficial effects of these principles and methods appealed to the people who, through teaching and practical demonstration, have become open-minded to every plan of betterment and education for the multitudinous many.

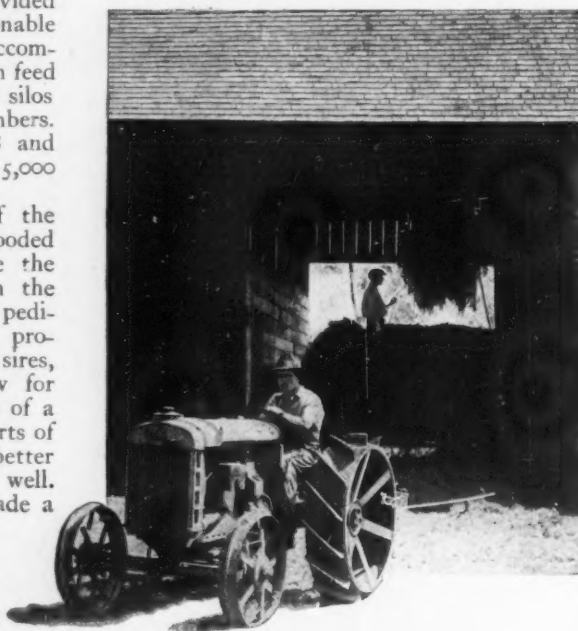
In the vexed matter of taxation there has finally, through much study and experience, been perfected a system which, as taxation goes, is both just and equitable and falls mostly upon those who can pay because of their ability to do so.

The Railroad Commission held that the first duty of the railroads and of all public utilities lay in adequate service to the public. But they held also that the stockholders of the public utilities were entitled to a fair return upon their investment.

Equally has the Industrial Commission sought to harmonize and render mutual the relations between employer and employee, never as a special advocate of either, but as the judicial arbiter.

Nothing so typifies the spirit which made these things possible as the story of the Wisconsin men, from the field, from the workshop, from the University, who lay out in the darkness, in Belleau Wood, awaiting the conflict on the coming day, and all through the night sang the great football song of the University, "On Wisconsin."

EDITOR'S NOTE.—This is the third of a series of geographical character studies by Mr. Douglas. The story of North Carolina will appear in the July number.



"To Build a Saner World"

Here is a dramatic message to the business men of the United States; it tells of their opportunities for helping create a new order from the fragments of our broken era

By SIR AUCKLAND GEDDES

Ambassador from Great Britain to the United States

IF YOU live on the coast you know how a great storm, when it passes, leaves the sea restless with a heavy swell; you know how the waves, long after the wind has dropped and the air is still, continue to pound upon the shore. You know, too, how storms far out at sea, storms that were never near you, stir up the waters of the ocean and set them roaring and beating on the beach.

This is true of the waters of the ocean. It is also true of that great ocean of human thought which forms the matrix in which all our individual thoughts are embedded. Across that ocean of thought there blew for five years storms and hurricanes of hatred and fear, rage and terror. Long submerged instincts of slaughter and brutality have raised their ugly heads like reefs hidden so deep in the waters that only in the wildest storms, when the waves are at their greatest, do they become visible to the affrighted mariner.

In Europe—remember I am excluding that geographically small portion of the British Commonwealth of Nations which has its seat in the islands off the northwest corner of the continent—in Europe men's thought is still restless with the swell of the awful hurricane; men's brains

are still tired with the strain of five years of nervous exaltation and harrowing emotion.

The young men of Europe are not normal. How could they be? Before they were full grown they were plunged into a veritable hell. Children are not normal. Terror and sudden death were their daily companions. Little ones, still little, have seen their playmates blown to heaps of bloody rags. Wives that waited with hope have waited in vain. Husbands that have longed for their wives with overwhelming yearning have returned to find themselves supplanted.

Fear, hatred, love, despair, disappointed hope, are emotions powerful beyond all logic. To these add shattered homes and broken mills, flooded mines and ruined fields that at any moment may belch forth with flame and death as the ploughshare meets the unexploded shell. Still add an increased cost of living which makes your increased costs look like a bonus. Add a real shortage of eggs, milk, and sugar, and in some places flour, and you have a picture of large areas of continental Europe.

Now give your imagination a little

play and you can, without much trouble, supply the vermin on the bodies, the dirt, the squalor and the disease. I could preach a lovely sermon to Europe and go home and feel fine about it; only it would not do Europe any good. When a man's got all the troubles he wants, and some more in support and reserve, words don't help him much.

Yes, the continent of Europe is in trouble, and it is trouble you cannot get away from; trouble that will come after you and haunt you, trouble that the call of the blood in your unassimilated elements will bring right here into your domestic politics, and there I must leave it—for that is forbidden ground.

Burdens That Must Be Borne

THE British Empire has troubles too, but they are little troubles in comparison with those of Europe. A fraction of the population is war shocked, a fraction is weary of effort, but broadly the swell of the great storm is dying down, output is improving, business is better. The burdens are colossal; nobody likes them. The cost of living, weight of the taxes, alleged incompetence of the government and its incapacity to look after business interests, combined



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Women harrowing a field in France. These workers are not crushed by the hardships of their existence; they are going forward smilingly to meet whatever future is ahead of them. Sir

Auckland Geddes says that we should try to instill new heart into broken Europe. That the task is not hopeless may be seen from the faces of the strong French peasants in the picture.

with the unpleasantness of the weather, form the staples of dinner table conversation.

But there is a profound change in England. The war has worked, or during the war there has been worked, a series of changes which almost deserve the title of a revolution. Vast new classes have been enfranchised. Ultimate political power in England now rests in the hands of the working classes. They are strongly anti-militarist. They are determined to work out new relations between capital and labor. They seek, to the limit of the nation's power, to secure tranquillity in Europe, in Asia Minor, in Asia and Africa.

Silently, and without fuss or noise, they have reduced the army to a strength many think barely sufficient to police the Empire. They are determined to deal with problems of health, housing and education. They see clearly that to secure their purpose they have to end the rancors and animosities which have torn Europe and brought her to the brink of disaster.

When you read stories of conflicts between Britain and France and France and Italy, do not believe them. A few weeks ago I sat on the Supreme Council of the Allies through a series of discussions. I know the men who are there. I know their mind and temper and

their policy, and, without hesitation, I say some reports published about San Remo are fantastic. Of course there are differences of opinion as to method before each conference meets. No one expects a whole nation to think alike. If it were permitted to me to refer to your internal politics I think that perhaps I could find some differences of opinion among yourselves. Is it reasonable to expect that all the British, all the French, and all the Italians, not to mention others, will think precisely alike about the best way to get Germany weaned from war and won to work? Of course it is not. But it will be done, and Germany and all Europe will get back to work and life, after more or less suffering. Perhaps there will be disorder, there may be upheavals, but the peoples will win through.

The great question you have to decide is this: Are you going to stand by and wait for Europe's troubles to come after you, as come they will, or are you going out to help Europe—remember I am excluding the European part of the British Commonwealth of Nations—to win through to reasonable conditions? I do not mean help Europe politically, but as a long-range business proposition.

I shall tell you Britain's answer to that

question, for she, too, had to answer it: "On a business footing we are prepared to do all we can; on a charitable basis we cannot do much more."

I dare not presume to suggest what your answer should be. But this I believe from the bottom of my heart, that all the nations of Europe, including Germany and Russia, have to be got back to work and solvency before the world is going to be safe and comfortable for democracy, or business, or trade, or for anything that makes the life of millions worth living.

These are difficult times for all of us. We need sanity, courage, good will, the rooting out of suspicion, the dying away of anger. I believe, how firmly I believe it, that even at the cost of heavy burdens we must try to pick up the broken, to instill new heart into the hopeless, to be ready with the hand of fellowship and the smile of friendship to greet all who raise themselves even from the dust in an effort to do something to build a saner world out of the fragments of a broken era.

I know you as a nation well enough to prophesy that, when the building is done, you or your sons will be able to look back and say, "We are glad that we took the larger view. This is our handiwork as well as theirs."

It's Your Department—Use It

The effectiveness of government agencies depends entirely upon how much opportunity for service is given them; this is especially true of the business man's own department

By JOSHUA W. ALEXANDER

Secretary of Commerce

THE business men of the country, along with all other citizens, have their representatives in Congress. By making free use of the representation in Congress they can give their ideas and wishes expression. They thus have a voice in the legislative department of the Republic in proportion to the use they make of their Representatives in Congress.

In like manner, in the executive side of this government, the usefulness of the Department of Commerce to the business man is in direct proportion to the use that the business man makes of the Department. The Department of Commerce, with its Secretary, is not an abstraction to serve in an abstract way the promotion of the commerce of the United States, but is a concrete and practical organization to attend to the wants and requirements of those who carry on the commerce of the United States.

I want every business man in the United States to come to me, personally, with problems and suggestions. I am not hedged about by any formality except the limit of the number of hours there are in a day—and my day is not limited to eight hours.

During the war there were service committees appointed by different industries to advise the government. This republic owes a debt of gratitude to those men who freely gave their time, their energy, and their great knowledge to further the cause for which we fought. The industrial and commercial problems of the country did not stop with the armistice. In some respects to-day there are more threatening clouds upon our commercial horizon as an industrial and commercial people than during hostilities.



I should like to see these advisory committees revived, or new ones appointed, to acquaint the Department of Commerce and its Secretary with the needs of the business public and to advise in the solution of their problems.

In order to maintain the closest possible contact and cooperation with such advisory standing committees of the business men of the United States, I should like to appoint a man of ability in the Department of Commerce as my personal representative to travel about the country and confer with these advisory committees in person, in order to bring their message directly to me and my message to them.

The Department of Commerce is maintained by appropriations by Congress. I feel that the Department of Commerce can be a great factor in increasing the production of the United States, provided it is furnished with the proper machinery and funds. We are passing through a period in which the most

rigid economy is necessary. Greater efficiency—that is, greater results for the amount of energy and material resources expended—is more necessary now than at any period in our history.

But what is economy? The greatest national economy is to facilitate the production of greater wealth. That is what gives the name of economics or national economy to the study of the production and distribution of wealth. The Department of Commerce differs in large measure from many of the departments of the government in that it is not purely administrative, executing the laws of Congress, but is devoted almost entirely to the increase in the production of the national wealth through the encouragement and betterment of industry and commerce.

Money appropriated for the Department of Agriculture, for instance, to make two ears of corn grow where one ear of corn grew before, results in a net gain to the wealth and production of the country many times the original expenditure. Likewise, if the Department of Commerce makes one spindle produce what two spindles produced before, makes one day of labor produce what it took two days of labor to produce before, the comparatively small appropriations that are necessary to carry on the scientific work that brought about this increased production will "bring forth good fruit" some forty, some sixty, some a hundred fold.

Is it economy to save a few hundred thousand dollars in the appropriations for the Department of Commerce when this so-called saving will cripple the scientific and trade-promotion work that increases the production of the country by many millions of dollars?

Fergusonisms

EPIGRAMS—as Poe once observed—are immediately and universally appreciated. Napoleon had the knack of creating them; so did Franklin, and so did Roosevelt. This rare trait is found in the writings and speeches of one of America's industrial leaders. He is Homer L. Ferguson, president of the Newport News Drydock and Shipbuilding Company and retiring president of National Chamber of Commerce. Here are some timely "Fergusonisms."

AMERICAN cities won't starve or go cold in the midst of plenty. They will find a way to get what they need. We are not against labor, but we are for food.

I would rather have an outlaw than an inlaw strike.

Teachers and preachers—and both come within the same category—are so far underpaid at present that they can't make as much in a month as the ordinary laborer makes in two weeks or less. And yet we wonder at the spread of socialism.

We can't, in reason, expect the teachers to grow wildly excited about the great benefits of a capitalistic form of property owning and operation. It is to those men and women that we owe a duty as business men. And if taxes must be increased, for heaven's sake, let them be increased, for the teachers of our children are giving their lives to service.

America is all right as long as the majority have money.

The problem of the farmer boy is not only the problem of the farmer but of the business man. The tendency of the young men to leave the farms and go into industrial pursuits cannot, unless changed, result in anything but still higher prices and greater discontent.

We stand for a fair deal for American business, but above and beyond that we stand for representative American institutions, individual initiative and the enforcement of the law.

I don't want the National Chamber to have power. I want it to have influence. Power is dangerous. You have to win your way to influence.

You have probably noticed the watchman in a store or bank. He does not seem to have anything to do, but the burglar knows he's there. He is on guard just as the National Chamber is on guard; and the enemies of business know it's on guard.

Neither capital nor labor run the world. Brains and character run the world.

Nothing can be good for business in the long run that is not good for the United States, and with that in mind, we purpose to go forward without fear, secure in the feeling that justice will prevail if the truth be fully known.

The subject of the high cost of living is a painful one, but we should remember that it is most painful not to what is ordinarily known as capital and labor, but to that great group of people who are not represented at conventions of business men and who are not represented in the halls of labor.

The outstanding requirement today in business organizations is that business men should, in greater number, be led to take up public work.

A few months ago we bragged about the world banker being in America. Perhaps you've noticed he has moved back to London.

There is as much sense in the country as there is in the city.

Those largely responsible for everlasting baiting of corporations as such, and those who are making the loudest noise about the tremendous increase in living cost due to profiteering, are the people who are to blame most for high prices.

When we drafted 4,000,000 men and found one-third unfit for service and one-fifth that could neither read nor write, we did a lot of thinking.

It's the habit of lawyers to talk. They always have talked and unless you business men get into the talking class, you will never be represented by anyone else but the lawyers.

We brag a good deal about our department stores where you can buy anything; but there is a store in London where they buy and sell farms in India, and where you can get a hired girl to go to China on a two-years' contract.

Many men think they are escaping a tax altogether who are in reality paying several taxes. With an excess profits tax, the consumer, when he comes to buy it, must pay a number of taxes, but he thinks he is getting something for nothing.

There is no class in this country that we can't get along without if you give us three months' time—thank you.

We are all familiar with taxes—too long familiar with war taxes. The excess profits taxes, adopted as a war measure but continued into peace, are not exactly a bunco game but just a method of fooling people.

I never can see why the working of justice should hinge on the numbers of people who happen to be involved.



Guarding the Overseas Dollar

Europe's call will be answered by the investors of America; but the matter involves the security of capital from lawless depredations and from confiscatory acts of governments

By **GEORGE E. ROBERTS**

Vice-President, National City Bank of New York

THE international investments and trade interests of the countries most advanced in wealth and industry have been frequent subjects of controversy in the past. They have been commonly regarded as the root cause of all wars, including the last ones, and there always have been superficial observers who opposed enterprise and investment abroad from fear of the entanglements which might ensue. The view has had support in a prevalent sentiment that American investments outside of this country were indicative of a want of patriotism and that such investors had little claim to sympathy if their ventures met with disappointment.

Of course it is true that if the peoples of the different nationalities were to all enforce a vigorous policy of non-intercourse with each other, the opportunities for disagreement and friction between them would be reduced to the minimum, but no such policy is practicable. The peoples of the world are not going to adopt any such policy. They could not do so without sacrificing the great gains resulting from trade which is mutually advantageous, and losing the moral and intellectual benefits which are derived from the mingling of peoples of different origin, genius and environment. Every people is able to make some contribution to the common fund of knowledge and common aspirations of the race.

All of the normal developments of civilized life tend to bring the peoples together rather than to keep them apart, to reduce and remove the barriers which distance and natural conditions have created. The remedy for international misunderstandings, therefore, is not to be found in isolation and non-intercourse, which are impossible, but in more intimate relations, greater community of interests, and better mutual understandings.

This Capital Isn't Lost

CAPITAL invested abroad is not lost to the home country. Not only is it opening up new opportunities for the home market, but it is usually engaged in increasing the supply of products that are required in the home market. Moreover, the whole world is interested that the staples of commerce shall be produced wherever they can be produced most economically.

The new supplies of food and raw materials required for the world's increasing population are obtained most cheaply from the new countries which have unoccupied lands, virgin forests and unimpaired mineral resources. These countries are lacking capital, and must be developed from outside. They need population also, but they need the agencies and equipment of transportation and production in order to give employment to an increasing population. They need new capital along with added population in order to make the population effective. The countries of South America are in this situation.

Then there are the countries which already have a large population but which are undeveloped industrially and whose production is

low because the methods of industry are primitive. Russia and the countries of Asia are examples of this state. The production of these countries might be greatly increased to the advantage of their own people and of the rest of the world, by modern industrial leadership and equipment. The management and capital must come largely from outside, and the capital, of course, would be largely in the form of equipment produced by the industries of the more advanced countries. These countries of different stages of development need each other. They will supplement and be helpful to each other if capital flows freely to where it will produce the largest results.

Work for Europe's Skilled Hands

THE field in which capital is most needed at the present, of course, is Europe. The people of Europe are trained to industry; they are skillful and efficient in all the arts. The war has disorganized industry to a sad degree. Not only was there a great destruction of property but there was a serious deterioration of equipment everywhere, and particularly of transportation equipment. The currencies are depreciated, credit is demoralized, raw materials are wanting, and the people are suffering for clothing and food. It is easy to say that they ought to get to work, but it is slow getting to work under these conditions.

There is work which these peoples must do for themselves and which nobody can do for them. They must raise by taxation the sums required to meet their governmental expenditures, and stop printing money for that purpose. They should stop their importation of luxuries and all unnecessary purchases and concentrate their energies upon the production of necessities. But after they have done all that is humanly possible in their position they have need of help from outside. Europe west of Russia imported great quantities of food and raw materials before the war, but it was able to make payment by means of the manufactured goods which were being constantly exported. Their importations from Russia are cut off so that they must procure more elsewhere than in normal times, and they cannot produce for export without the raw materials.

In this situation it is natural that they should turn to the United States for help with an appeal that is overwhelming at once in its pathos and its logic. The United States is one of the few countries which is richer than before the war. Its capacity to produce steel, machinery and the industrial equipment which Europe needs is greater than that of all the rest of the world put together, and the same is true of some of the principal raw materials. We have the ability to give relief promptly, and time is vital in the situation.

It is for Europe to restrict her purchases to essentials, and to organize both to secure the most effective distribution and to place the most effective guaranties behind the credit, but, that done, America should do her part.

It is said, and there is much support for the

view, that the United States cannot raise capital for foreign investments at this time, because of the depressed market for American securities. With the domestic needs which are confronting us, for the rehabilitation of the railroads, for building operations and other neglected construction work it may be pointedly asked how capital can be spared. It is true that the regular channels of distribution are more than filled, and that securities of known merit, including government obligations, are at a very low level in the public market, and yet there is evidence throughout the country of an amount of capital available for investment which is beyond all past knowledge. It is being found outside the old channel of distribution. Hundreds of millions of dollars are being obtained from people who have never been investors before, and there is too much reason to fear that much of it will be wasted in enterprises of doubtful merit.

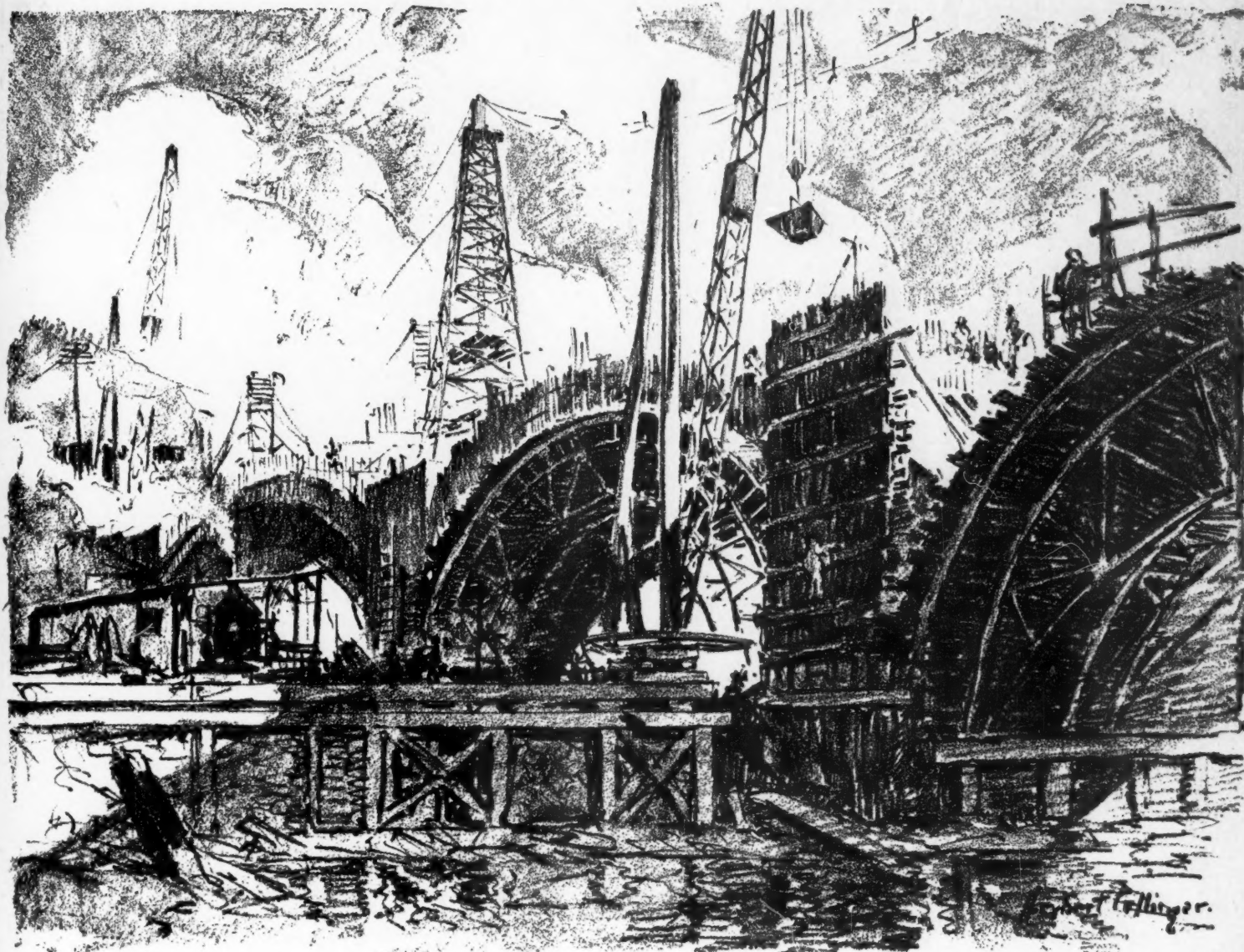
The truth is that we could provide the supplies and equipment most needed in Europe and take securities in payment, if we sufficiently realized the importance of doing so. Nobody doubts that we could have carried on the war for another year or two years, if it had been necessary, at a cost far in excess of any estimate that has been made of aid we should raise for Europe. The truth is that we are doing but little for Europe and not much for ourselves, simply because we have relaxed and let down in resolution and in concentration. We have failed as a people to grasp the fact that although the war is ended the world still confronts the greatest emergency of human history.

War's Effect on Confidence

THE question of security for invested capital, not only from lawless depredations but from unfriendly and confiscatory legislation, must be one of the most important considerations touching international investments, and unfortunately the war has caused some unsettlement of confidence. Prior to this war, and even for hundreds of years, the most liberal thought of the world had been tending toward greater respect for private rights and greater immunity for private property in time of war, but the late war saw a lamentable lapse in this respect.

The submarine attacks upon passenger ships were the most flagrant instances of this, but the wholesale seizure and sale of enemy private property has not been calculated to inspire confidence in international investments. It is a serious matter for an investor to consider that if he places his capital in a foreign country, in the event of war between his own country and the country where his investment is located, his property will be taken over by the foreign government and probably sold out under the hammer, abruptly ending his business operations.

We have seen this done by our own Government to hundreds of millions of dollars worth of German property, whose owners had been cordially invited to establish these industries and who individually had committed no



Our capacity for producing equipment needed by Europe in rebuilding homes, bridges, roads and factories is greater than that of all the rest of the world combined. It is natural that they should expect us to invest in their securities to enable them to

buy from us. A factor in our exportation of capital is the new concerns—many of them purely speculative—being formed in America. The estimated authorized capital of new companies organized in this country since the first of the year is \$5,000,000,000.

offense against this country. That policy may be justified by the law of nations, but it creates a very evident hazard in international investments. It is said that the German properties in this country were appraised and in no case sold below the appraised value, but even that method in ousting a proprietor from a business which he has been years in building up and a field which he has been years in developing, can hardly be regarded as compensatory or satisfactory.

International investments are not only helpful in promoting industrial and social progress throughout the world, but are among the most hopeful means of bringing the peoples together in business relations and of thus preventing wars. It must be regarded as most unfortunate that this new demonstration of the uncertainty of such investments, even between the most highly civilized countries, should have been made.

Every proposal which involves the investment of capital in another country, where it will serve to build up foreign interests, is certain to raise doubts and criticism. It seems to be creating competition, and the business world is so familiar with the struggle for markets that it is slow to understand the larger community of interests which exists. There is competition within every country, but

it is not inconsistent with the national interests.

The great overshadowing fact is that the world is interested in increasing production everywhere, in integrating, coordinating and harmonizing production so as to obtain the greatest efficiency and stability in industry everywhere. The great central purpose is to obtain the largest possible supply of the things which minister to the comfort and welfare of the population. There is no danger of getting too much if production is kept reasonably in balance. Commerce consists fundamentally of an exchange of products; it can have no other permanent basis, but granted that the exchanges are fairly balanced, the greater the volume of production the greater will be the consumption and the higher the standard of living everywhere.

New Curatives for Wanderlust

THE bedding roll, time-honored institution of the Pacific Northwest and ofttime the sole accouterment of the lumberjack, is to be eliminated as painlessly as possible in an effort to reduce labor turnover in western logging camps. In the past it has been customary for the companies to furnish the bunks and mattresses and the logger to furnish his own bedding. Thus the laborer has felt

free to come and go as he pleased, and the moment the cook-house table failed to suit his taste, or other unpleasantness arose, he could literally take up his bed and walk out.

Two years ago, as an experiment, the Bridal Veil Lumber Company of Portland, Ore., fitted up its bunk houses with beds, mattresses, sheets, pillows and bedding. A shower bath was installed, and a drying room, where men could come in on wet days and leave their clothing to have it dry by morning, was also provided. This last service was made available only to men who had complete changes of clothing in order to maintain proper sanitary conditions.

At first this innovation was patronized only by men who had lost their bedding rolls. It soon developed a waiting list, and now there are 75 beds with a waiting list of 25 in a camp of 100 men. The actual cost figures at \$4.21 a bed each month, and the actual return is \$4.50.

The main value of the service to the company is its effect on labor turnover. The employes get out of the habit of having their own bedding rolls and are, therefore, not equipped to leave the camp for others which do not provide such accommodations. Many of the men would not consider working in camps where the system does not exist.



Lighting a Dark Diplomatic Way

SECRET DIPLOMACY certainly has its dangers, and the greatest among them is daylight.

The latest demonstration of these homely truths has come from the State Department. From December 6 to April there reposed in the confidential files of a few members of Congress a letter from the then Secretary of State, Robert Lansing, which

set forth some proposals which are of considerable importance to the business world, and suggested discussions among an inner circle, in the good old way. Meanwhile, the contents of the letter were kept away from parts of the community that would be affected. Even other members of the Cabinet did not know what was in the document.

Eventually, however, a newspaper correspondent caught a glimpse of the letter and published it, "without authority." When spread out on the front page of a metropolitan daily, the letter lost its glamour, and had some of the appearance of documents published in earlier years to prove the authors were engaged in conducting a lobby. The proposal in the letter was that the State Department should have concentrated in it all the functions of the United States government respecting foreign trade. What was to be done with the Department of Commerce and other agencies, which have been intrusted by Congress with some activities in this field, was not made plain.

DIPLOMACY has become economic, was the argument. "Ponderous" interests are at stake, it was said. Mere commercial data as disseminated by the Department of Commerce are described as often misleading, and hence our business men should have only such combined commercial and political intelligence from foreign lands as the State Department in the fullness of time, and after applying the tests of diplomacy, might see fit to impart. "Diplomatic unity" would result. Some statistics showing the bigness of the world were added, and if they are to be taken as illustrations of the data at the command of our diplomats, there is much to be desired.

When brought into the light even of a foggy spring morning the document discloses good reasons why a good part of the business community looks to the Department of Commerce for aid. In fact, the Secretary of Commerce had something to say about the letter when it was published. He had not seen it before. It seems that he had suggested to the Secretary of State, while this letter was reposing in confidential files, that the two Secretaries should discuss ways of furthering American business interests in foreign countries, and had met with a declination, on the ground that "nothing could be accomplished." Advice from business men, or from the Cabinet officers who should come nearest to representing them, seems not to have been desired by the State Department. Instead, the *modus operandi* appears to have been to move suddenly to cut the appropriations of the Department of Commerce, as a means of abolishing existing foreign trade services, in the hope that the Department of State would eventually supplant them. That American business men would meanwhile be deprived of foreign trade services they now enjoy, in a critical period of international commercial relations, seems to have caused the Secretary of State no misgivings. What the country and the House of Representatives thought of this maneuver was made plain in *THE NATION'S BUSINESS* for April, at page 38.

There is some possibility that the House Committee on Foreign Affairs may hold hearings in May regarding means to reorganize and improve the foreign service of the United

States. This is an appropriate thing, so far as the development of the Department of State is concerned, since everyone wants it given every appropriate facility for its purposes and made efficient in all its parts. No department has greater responsibilities or larger opportunities for public service. But this committee of the House seems scarcely the correct congressional agency to deal with commercial affairs.

Mars as a Healer

LUNACY would seem to be cured more often than caused by war. During the last two of the war years, for which data have been published, England's lunatics decreased by 19 per cent. This is not exactly an argument for war, but it undoubtedly contains suggestions about ways to remedy lunacy.

Poverty, too, was affected by war, probably through opportunities for work where they do not usually exist. Between 1914 and the end of 1918, the number of persons receiving public relief in England decreased by 200,000. That is 25 per cent.

Depends on Who Fixes the Price

PPRICE FIXING is a fine sport for the fellow who fixes the price, particularly if he can fix it on the basis of what he thinks he ought to pay. Fixing prices on the cost of production is, to quote from a classic of retail trade, "something else, again."

A case in point comes to us from Cornwall, England. The Cornish miners didn't like the price of butter any better than American miners, or bankers, or editors have liked the price of butter. The Cornishmen decided on direct action. Not content with refusing to buy butter, they undertook to take butter at their own price, which was 2s. 6d. to 3s. a pound; that is, from 48 to 58 cents at recent rates of exchange. A price that wouldn't have caused a shudder last February in any city in the United States.

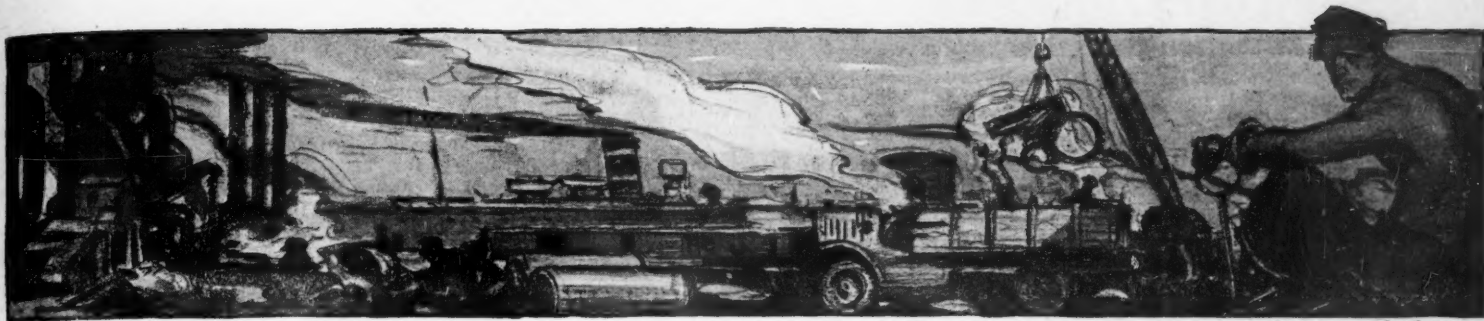
The British Food Ministry was unkind enough to take a hand in the mess and set on foot an independent inquiry as to what it did cost to produce a pound of butter in Cornwall in February. Nine farms were selected, five picked out by the National Farmers' Union and four by the Dockers' Union, on behalf of the miners. They found that the cost to produce the pound of butter was 5s. 0½d, or a little more than 98 cents. Results? The miners won't buy butter and the farmers can't make it. Moral? Draw your own.

A Gentle Description

THE LATE WAR between Germany and certain other nations, on one side, and England, France, Russia and certain other nations, on the other side, is the description which the Federal Trade Commission gives in a formal document for a little matter that cost our country 50,000 lives lost in battle and \$36,000,000,000 in worldly possessions.

Rule, Britannia, Rule the Oil!

OIL for several generations has stimulated the imagination, and never more poignantly than at present. An English financial paper has recently decided that the new British situation in petroleum is the most striking result of war conditions. It sets out figures purporting to show that in 1914 the effective British share of the oil resources of the world was about 2 per cent, whereas it is now around 75 per cent. It adds, "Assuming the accuracy of the statistics, we may say that we have, almost in spite of ourselves, ay, almost in a fit of absent-mindedness, got



a healthy grip upon the control of that very commodity upon which our destiny depends. Our lowest foundations were built on wool. The next course was coal, and now the noble superstructure is to rise on oil."

All of this does not necessarily prove that England has attained to control of three-quarters of the world's supply of petroleum; it may merely illustrate the potency oil still has to stir the imagination.

Quick Action under the Edge Act

THE EDGE ACT produced an American foreign banking company pretty quickly after the Federal Reserve Board let it get into operation by issuing its regulations. The incorporation, under federal law, of the First Federal Foreign Banking Association was announced on April 19.

Inefficient Efficiency

SIMPLIFICATION is a great desideratum in these piping post-war days. Even the communistic government in Hungary got the idea. Its "simplified" procedure, for the benefit of a man who wanted to replace a broken window, ran in this wise:

Get a certificate from the duly elected representative responsible for the house, setting forth in legal exactness the pertinent facts about the damaged window. Have the certificate countersigned by the engineering bureau of the workers' council for the district. Take the countersigned certificate to the district glazier's office, who in due course will have his subordinates measure the offending window and estimate the cost of its rehabilitation. Obtain from the district glazier, after his functions are completed, a ticket setting forth his findings and the costs. Take this ticket to the central glazier's office and pay the price shown by the ticket, receiving a labor card. Carry this card back to the district glazier, who will eventually have his workmen insert a new pane of glass.

But 500 Marks Sounds Bigger!

HIGH COST of living does not yet affect some of the former German princes. For disorderly conduct that involved international complications, one of the most exalted of them was fined 500 marks, about \$5 in our money, or the usual fee paid in the United States for the privilege of speaking one's mind to a traffic policeman.

What Makes "The Situation?"

FOR, LO, these many years we had gone on believing that bank clearings, bank deposits and pig iron productions were the sure barometers of business. One look at their wavering needles and we could reach for the umbrella or the straw hat with absolute certainty. And now comes Archer Wall Douglas to shatter our most cherished idols. Listen to the iconoclast:

"There are Bank Clearings, one of the most noted fetishes, with a sacredness which once attached to that legend of the Garden of Eden. Alas for the disquieting discovery that if you had ten banks in a city with much volume of clearings, and they consolidated into one, there would be no more clearings, although the volume of commercial business would be unaffected thereby!

"Then there are bank deposits whose piling up should indicate great prosperity, were it not that they do the same thing in times of great depression which is disconcerting for the purposes of prophecy. But still there is left Pig Iron Production, known through all ages to be the one true barom-

eter of business conditions. Of course, it may be embarrassing to explain why general business went on much the same in the months of the steel strike and the coal strike when Pig Iron Production was much curtailed, and why the growing conservatism of the day is not prefigured in the increasing output of Pig Iron.

"Nevertheless, when all else fails, there still remains the transactions of Wall Street which form a weird and uncanny forecast of business some months ahead. There are parallel charts of business conditions and the movement of the stock market which indicate this connection quite clearly—until you examine them for yourself. Then you discover perfectly aimless gyrations up and down, dependent on high or low money, on the speculators who take counsel with their fears, on every fool rumor that blows. And when you have deleted the charts of their "corrections for seasonal variations," their "averages" and their "normals," you discover that they are not worth a damn as prophets of the future."

Truly, a Coinage of China

FANCY COINS are a fad with officials in Germany. Last autumn zinc and iron coins were minted, and now the news dispatches forecast pieces of money made in the potter's kiln and of material which our grandmothers would have called "china." Of course, as is elaborately pointed out, the new coins will be highly sanitary, being capable of treatment in the kitchen sink like "other kinds of dishes" or sterilization in the manner of surgeons' utensils, as circumstances may require.

Planning the Postman's Overalls

POSTMEN'S OVERALLS, if postmen take to this form of habiliment, entail some obligations. In the first place, if a majority of the postmen at a particular office decide upon overalls, all the postmen employed there must bend to the will of the majority.

The "overalled" force, however, is to be spick and span. All postmen must wear garments that are standardized, except presumably as to size, and there seems to be no regulation about patches. A postman may, however, choose between a one-piece suit and separate jumper. Otherwise, the prescription is that the denim is to be gray, and all the overalls worn by men from one office must be alike in quality, color, and style.

Regardless of style, there is one super-requirement, about which postmen's wives are likely to be of the same mind as miners' wives; this is a stipulation that overalls must be laundered at least once each week.

Why a Life Extension Institute Now?

AMERICAN INSTITUTIONS, when they go abroad, sometimes surprise us by developing attributes and possibilities we had not suspected.

Chewing gum is an example. Having reached Morocco and captivated the natives, it has attracted journalistic attention. "Have you noticed," says a local newspaper, "that Casablanca has been invaded by a new American product, called chewing-gum? It comes in small slabs of smooth paste, in which the principal substance is India rubber.

"One of these slabs is placed in the mouth, rolled into a ball, and chewed until real thirst results. That is the way in which the enjoyment is derived.

"On high medical authority, it is said that the use of chewing gum prolongs human life as much as one hundred seven years."

Lenine and Your Table Linen

Russia's misfortunes are reflected in your own home; though a menace now, the Bolsheviks will surely fall, and the blockade only gives the Soviets a weapon for prolonging their life

By WILLIAM C. REDFIELD

Former Secretary of Commerce, now President of the Russian-American Chamber of Commerce

WE ARE nearer to Russia than we stop to think. No man who wears a linen collar or shirt, no woman who uses a linen handkerchief or towel, no home where there are linen table cloths and napkins, but is related through these commonplace things to the economic problem created by the absence of Russian flax from the markets of the world. The absence also of Russian calf-skins is reflected in the price of leather and the cost of shoes. The bread we have today eaten reflects in its cost the absence of Russian wheat. The chemical industries feel seriously the lack of Russian platinum.

On the other side of the problem, Russia has vast economic resources which the world requires, and has abundant man power. About 1 acre out of every 6 in this whole world is a Russian acre. About one man out of every eight on this globe is a Russian. Russia is the largest unit of the white race. Her industries and resources, at the best, have been developed but little. She remains potentially agricultural, needing tools, needing transportation, needing capital, needing leadership. Today she is in the hands of economic theorists, and financial freaks who are driving her down the slope that leads to economic disaster. Already they have abandoned their communistic theories of industry, have adopted individual leadership instead, and have put into operation an arbitrary system of compulsory labor so

drastic as to justify their own phrase, "The Dictatorship of the Proletariat."

They represent all in politics and business and finance against which American experience, judgment and conscience protests. Individuals who here attempt that which is collectively done there are called hard names and, when caught, are locked up. They maintain in this country an organization which is directly in touch with the dangerous and explosive elements in our own country and they are definitely engaged in the task of promoting the explosions and disturbances to which these elements are prone.

The blockade against Russia should be removed, for the Soviet authorities are making that blockade a prop to sustain their falling fortunes. They charge to the blockade all the ills which are the results of their own incompetence and wrong doing. With the removal of the blockade this resource will be taken away. Little trade is likely to ensue, for the Russian transportation system has broken down and, save for such limited quantities of goods as may be here and there found at or near a seaport, there is no possibility of transporting materials on any considerable scale.

At present Russia, therefore, presents a horrible example and a social menace. For the future, if we are wise and prepared, she presents the greatest of opportunities. The reconstruction of her railway system will, by itself alone, supply ample outlet for manufacturing and

our credit giving facilities. Even today, amid her disaster, the minds of the Russian people turn toward America for they know that we have no political or territorial designs. They need our agricultural machinery and tools. They need, indeed, practically all the standard products of our many industries. They need our help in reconstituting and enlarging their own industries. They present collectively the greatest opportunity in the world for financial and industrial leadership.

The problem is imminent. It is likely to break upon us before we realize it, and before we are ready to deal with it. Others are alive to the opportunity and are making plans to seize it.

Plenty of Competitors

GERMANY is already on the job, for the line of least resistance in her efforts to restore trade and industry lies on the Russian side. Japan sees the opportunity and is eager to enter in. England desires the door to be open that flax may come out for her linen industry and for other similar reasons. France needs Russia restored that the bonds she owes may be made good. Our interest is less selfish, even on its purely material side, than any of these others, and it is to us that the Russian looks with hope not unmingled with fear lest we forget in our domestic concerns that this is one of our problems and are found unready when the time comes.



Every loaf of bread you buy carries part of the cost of the Russian collapse. The communists achieved a remarkable feat in turning what was a productive country into a world mendicant. Instead of supplying her neighbors Russia is begging

for food. One of her great needs is for such American implements as this binder and tractor to help harvest her vast grain fields. She could return raw materials which we sorely lack.

STRAIGHT LINE METHODS

Waste!

Just prior to the war it was estimated that there were 300,000 manufacturing concerns in the United States; that 100,000 of these did not earn one cent of profit above normal interest on their investment; and that 270,000 did not even know what it actually cost them to produce their product.

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Establish the working essentials of System, Organization and Success,

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CINCINNATI
INDIANAPOLIS
TOLEDO
ATLANTA

DALLAS
FORT WORTH
HOUSTON

STRAIGHT LINE METHODS

Laying a Course for Business

American men of commerce, at their annual council, make a formal declaration of principles to guide their actions on urgent questions that face the nation

ONCE A YEAR representatives of American business gather under a single roof to discuss their problems, exchange views, adjust private needs to the common interest, and fix plans for the future. Their stand upon issues facing the industry of the country is expressed through the declarations of the recent annual meeting of the Chamber of Commerce of the United States. They give the attitude of business toward such questions as the peace treaty, taxation, and the bonus. The resolutions of the convention were:

1 The country's problems can be largely solved through increased production, thereby restoring proper relations between supply and demand. The results of activities in every field of industry and distribution, and in the services which facilitate industry and distribution, must be increased in order that the diversions and the losses by reason of war conditions may be made good, and growing demands may be met. All obstacles to enlargement in output of the manifold products and agencies entering into modern life must be removed, new incentives must be provided, and the sustained endeavors of all our people enlisted in a purpose that is the embodiment of patriotism in a period of adjustment from a great war to the bases of stability upon which our national welfare and our national prosperity alone can proceed.

In aid of increased production, and to enhance its benefits, economy must become a cardinal principle with all of our public authorities, federal, state and local, and must be practiced by every citizen. General extravagance has followed every great human catastrophe, and its cure is a condition to the national progress upon which the personal interests of all Americans are dependent. The certainty of that future should enable every citizen to perceive the advantages which will accrue to him from practicing frugality.

2 Uncertainties in our international relations retard our progress. A treaty of peace should be placed in effect without more delay. This treaty should safeguard every fundamental principle of the government of the United States and should protect the rights of American citizens.

3 This annual meeting considers it especially appropriate that, in view of the subject to which it has given attention, it should set out and reaffirm the declaration of the Seventh Annual Meeting respecting the principles which should govern the relations of government to business, as follows:

The very essence of civilization is that there be placed upon the individual only that degree of restraint which shall prevent his encroachment upon the rights of others, thus releasing to the utmost individual initiative in every proper direction.

Our form of government most effectively expresses and maintains this principle. Within our basic law exists ample provision for such changes as may from time to time be necessary to safeguard our people. It is,

therefore, essential that our government should scrupulously refrain from entering any of the fields of transportation, communication, industry, and commerce, or any phase of business when it can be successfully undertaken and conducted by private enterprise.

4 Constructive Americanism will contribute toward our present progress. It emphasizes American ideals of liberty, representative government, enlightened rule of the majority, and supremacy of the law. Every member organization should actively participate in intensifying American ideals and in the development of the nation in the direction our traditions have marked out.

5 The agricultural interests of the United States are in their intrinsic nature neither separate nor distinct from the industrial and commercial interest, and the welfare of each is dependent upon the other. As a producer, purchaser, seller, and employer, the farmer exercises business functions precisely comparable to those of other producers who are classed and class themselves as business men. To draw a line of cleavage between agriculture and business is unnatural, unhealthy and injurious to both parties of the same interest, and the Board of Directors is advised and instructed to establish in the General Headquarters of the Chamber an Agricultural Department on a basis similar to those departments created under the revision of the by-laws adopted by this annual meeting, and it should invite the membership of suitable agricultural organizations on the same basis as the commercial and trade organizations now holding membership in the Chamber. As soon as the membership of agricultural organizations is sufficient to justify it the Board of Directors is requested to present proposals of amendment to the by-laws for the purpose of giving to the interests under the Chamber's agricultural department the same representation on the Board of Directors as is now provided for in the other departments.

6 The services required by agriculture, industry, and commerce clearly exceed the capacity of the equipment and facilities of our railroads. Rehabilitation of railroads is of predominant importance in the period of readjustment. Toward this rehabilitation the legislative step has now been taken by Congress. Realization of the advantages to be obtained from legislation now primarily depends upon administrative authorities of the government and the attitude of the public which is to be served. Each member of the community is urged to consider the value to him of adequate and efficient railroad transportation. The Interstate Commerce Commission and all other public authority participating in administrative responsibility are urged to proceed expeditiously with their function in order that the remedial results of the new legislation may quickly become apparent, railroad credit restored in the manner necessary for the general welfare, and improvement of the railroad and addi-

tions of their equipment at once placed in course. Until the supply of railroad transportation approximates the demand, every possible economy in use should be practiced through fuller loading of cars and promptness in loading and unloading.

7 A policy regarding merchant vessels under the American flag has not yet been declared by Congress. The policy which will be adopted will, in large measure, determine the permanence of an adequate American merchant marine, adapted in types of vessels, equipment, and tonnage to national requirements and to the service of the different parts of the country. Legislation has made progress in Congress but must still pass through several legislative stages before enactment. Congress is earnestly requested to expedite its consideration of this legislation, which exerts influence upon the interests of all parts of the country, whether inland or at seaboard, and is asked to include the important principles for which the Chamber has been committed through the deliberative processes of its referendum procedure.

In the field of marine insurance the annual meeting has received with pleasure a report of important progress made by American underwriters and congressional committees, and hopes that this report is an augury of further success in this indispensable service for sea-borne commerce.

8 Waterways afford opportunities for increasing the facilities of transportation available to our industries and commerce. Immediate needs for movement of fuel, materials and products require that Congress should at once make appropriations ample for improvement and maintenance of commercially meritorious harbor, river-channel and canal projects which it has approved and which have the interrelation with one another or with other means of transportation that is essential for routes of traffic.

9 Every phase of the life of a community is affected by the success or failure of its traction lines in providing a service which is indispensable to the public. Careful regulation joined with concern for the business stability and success of traction lines should prevail in each city of the country. Adequacy of service at the lowest rate compatible with continued efficiency is the paramount consideration from the public point of view, and neither factor can be sacrificed to the other without public detriment. Each community is urged to consider the situation of its traction service from those two points of view, in order that it may ascertain and apply proper remedies, if the increased costs common to all business have been unaccompanied by added revenues sufficient to maintain the service requisite for the industrial and commercial efficiency of the community.

10 Conditions brought upon us by the European war, and our national necessities after we entered the war, made it of the highest public importance that certain in-

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dustries should at once be developed in the United States. Large investments of capital and skill have been placed in such industries. Some of them are of vital necessity to the national defense and the national welfare, and, at the same time, are capable of adding to our national resources. Such industries should be sustained. Congress is asked to proceed with legislation which will assure the continuance of these American industries.

11 At a time when increased production is of the first importance destruction of means of production continues on a great scale. Each year approximately \$300,000,000 in property values are being destroyed in the United States through fire. A large part of this value represents waste that can be prevented. Considerations which should appeal to every individual require that, even if conditions were normal, the endeavors which are being made to stop this needless waste, with its detriment to the public interest and its private burden for all citizens, should be redoubled. At a time when economy and conservation of our resources must be paramount, in order that every effort may have its full influence toward increasing production, it becomes the immediate duty of each person, each association, and the whole nation to put an end to preventable waste through fire.

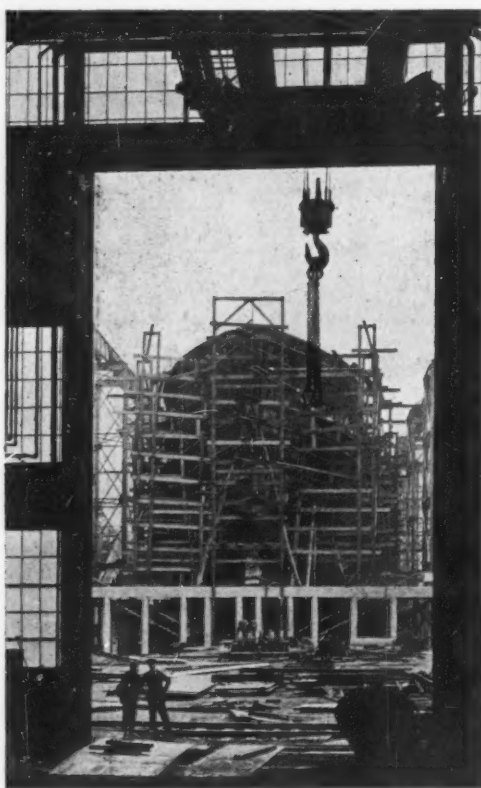
12 The government frequently has means at its command to facilitate and increase the supplies of materials available for production. It is urged, in all proper cases, to use such means. For example, a situation now exists in which its functions might be exercised toward the increase of supplies of paper from Canada, at a time when all branches of our great publishing industry are experiencing a serious shortage in a material that is essential for continuation of their operation.

13 Delay by the War Department in making final disposition of questions respecting plants and machinery used for war purposes is keeping much industrial equipment from being devoted to the production of which the country stands in need, and for which such equipment is suited. It is imperative that the War Department, and all other government agencies with jurisdiction respecting these questions, arrive at their decision and thus contribute directly toward the solution of the country's problem.

14 Public welfare requires that private business enterprise should recover, with all the promptness consistent with ascertainment of the facts, compensation for damages done to its property by agencies and instrumentalities of the government. Otherwise, a proportionate amount of capital is kept out of productive activity. Provisions of law now exist under which compensation for damages caused by public-owned vessels used for merchant purposes may, in proper cases, be recovered, but regardless of the resulting inequities and hardships to our private shipping interests and all business concerned in exporting and importing merchandise, means for prompt recompense for damage done by public vessels, numbering many hundreds, do not exist. The government properly possesses means for speedy collection of compensation for damages done to its public vessels by private vessels and for services of assistance rendered on the high seas by its public vessels. Congress should at once make these rights reciprocal.

15 Production and distribution at home are related to world conditions. Commercial intelligence respecting conditions in foreign countries is essential for a constantly growing part of American business enterprises. Such information is needed, not only by our importers and exporters, but also by American industries which may at home have to encounter competition from abroad. The service which our government now provides for the collection and distribution of foreign commercial intelligence should be increased. To that end Congress should provide for the further development of the Bureau of Foreign and Domestic Commerce appropriation, which will be adequate in view of the national interest.

16 Unnecessary obstacles and unnecessary costs, together with antiquated regulations, affect importation of materials which are to be exported after manufacture in conjunction with domestic materials, and of goods which, after being repacked, are distributed to foreign customers. Removal of these impediments will inure to the benefit of American industry, American commerce and American merchant shipping. To this end Congress should enact legislation permitting creation in American ports of areas where foreign materials and goods can be received for manufacture, repacking, or other necessary handling, and be distributed to foreign destinations, without the expenses and delays incident to passage through the customs.



17 Changes in rates of postage without determination of the results upon business enterprises which use the mails in large volume may have very inequitable effects. Any other changes in rates should await a thorough investigation of costs and determination of postal policies.

18 Great economy in the federal government can be obtained through speedy adoption of budgetary procedure. The condition of the national finances imperatively

demand the immediate adoption of a budget system fixing upon the President the responsibility for the initiation of a financial program and reforming Congressional methods of raising and spending the public revenues. We, therefore, again urge upon Congress the enactment of such legislation to the end that, not only the responsible government authorities, but the public, as well, may know why taxes are levied and how the public revenue is spent.

19 War taxation continues in a period when many of the conditions upon which it was predicated have passed. Through referendum vote of the member organizations, the National Chamber very quickly after declaration of war urged a constructive program of war taxation and war finance, and in the following year supplemented it with further suggestions. This annual meeting understands that the Committee on Taxation of the Chamber may soon be ready to submit a report, and asks that at the earliest date, consistent with the deliberation and thought appropriate for such a subject, the committee present to the Board of Directors a report setting out a program of federal taxation for the immediate period of readjustment, and that this report be submitted, in the customary manner, to the membership for a referendum vote.

20 The Chamber of Commerce of the United States deplores any tardiness in generous treatment for all persons in the armed forces who are disabled or sick in consequence of their service in the great war, as well as for the dependents of those who lost their lives, and advocates immediate provision for them in accordance with their just dues. The National Chamber approves such constructive measures as may be directly calculated to enable such persons to cultivate the soil, build homes, or obtain vocational training. It warns, however, against a general cash bonus given without discrimination.

21 Since the seat of government was established in the District of Columbia conditions have greatly changed and Washington has now become a city of large population. It is inconsistent with the spirit of American institutions that this large population should have no representation in Congress, by which they are governed. An amendment to the Constitution is advocated for removal of disabilities in this respect now borne by residents of the District of Columbia.

22 Means of training young men in good Junior Chambers of Commerce afford citizenship through study of patriotic, civil, commercial, and industrial problems, and, in such form and number such conditions as may be locally appropriate, should be utilized for the valuable public purposes of which they are capable.

23 Continuous supply of the necessities of life and of industry is essential to the public welfare. Preparation to meet emergencies arising from unexpected stoppage to the supply of such necessities should be undertaken by each community. Information should be collected for immediate and effective use when the occasion arises, respecting available supplies of such necessities as food and fuel, the trucks and other means of transportation that can be called into use, and the men who are willing to respond and serve from patriotic motives.



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Spreading the Gospel of Work

What the trade press is doing to bring home the truth that there really is no Chinese Wall between capital and labor, and that greater production can only come from improved methods

By JAMES H. MCGRAW

President of the McGraw-Hill Company

THE one great problem of how to increase production, which is facing the world today, divides itself into several major problems. If the business men of America will intelligently consider these major problems, if they will recognize the slow, but sure, process of education in the solution of these problems, the business press stands ready as one all-embracing medium through which the vital and intimate needs of the separate trades or professions may be developed.

Take the world-old problem of labor and capital, traditions and prejudices have tended to throw up a dividing wall that separates "labor" from "capital." As a matter of cold fact, if we may emphasize, as we can emphasize, through the business press, that the majority of the industrial leaders of America were once workmen, that 11 out of the 24 railway presidents, for example, today, were once messenger boys or clerks, that dozens of managers and superintendents, and hundreds of capitalists and financial men were one time store clerks or farmer boys or mill men; if we can only emphasize that the thing which separates them into a class is not a distinction in the kind of work they do, but in the kind of thinking they do, we will have at least gone part way toward the solution of the so-called labor problem.

Machinery Multiplies Brains

TAKE the second condition of increased production, the invention and the application of machinery to increased man power. Automatic machinery is merely another method of multiplying the thinking ability of individuals. Automatic machinery does not replace men, it multiplies the thinking ability of men and increases production. If this one thought could be developed among the men in industry, there would be a more willing acceptance of automatic machinery as a basis of accomplishment by "unskilled labor."

The mechanical and machinery papers each week carry pages of information that have to do with the turning out of more products in less time. Men by the thousands are reading these papers weekly. These men put into operation the ideas they get from business papers, and each year the progress in art is registered through pages of the engineering and technical publications.

I have pointed out certain fundamental factors in industry in connection with the relation of the business press to increased production. Just now all these problems are related to the one great problem of the present. We are in a period of credit deflation. Every careful business man in America today is making his business plans with this as his major premise. The trade and business press has a very definite relation in get-

ting things accomplished under these conditions. There are, broadly, two huge classes of trade papers, one of those dealing with the problems of distributing and marketing goods, which are more correctly known as "trade" papers, and the other having to do with the engineering and technical problems of administration and production, which are exactly termed "technical" or "professional" papers.

As a nation we are today relatively efficient in making goods. We are relatively very inefficient in distributing them. The editors of the trade papers have the opportunity for leadership in pointing out and making generally understood better methods of distribution. They look upon the merchant and the dealer not as a slot machine for distributing merchandise for which there is an existing demand, but as a man who is also creating new demands locally.

We are faced today with shortages in scores of raw materials that form the third great group in consideration of an increased production program for our nation. We must be better miners. We must be better users of by-products. We must find out how better to distribute, how to improve our transportation, how to improve utilization, to make ten parts go as far as a hundred did before. Our engineers and our technical experts, our chemists, our transportation men, are at work on these problems today, and the technical and engineering press of the country is the great medium of exchange of ideas on how to get more done for less money, how to overcome wastes.

Increased production and the possibilities of increased production is a state of mind. No body of men is more responsible for this state of mind than the management, which is the fourth great factor in production. Human engineering and business engineering are two new terms in our dictionaries which have come out of a new kind of thinking in industry. The business press sees men and machinery and material and capital put together, and made a coordinated working whole by man-

agement. Our drive for more efficient operation brings the ideal conditions that much nearer. And here again the technical press has had and will always have an educational function in the forwarding of such a movement.

It does no good to arouse the nation to action or to arouse the individual to action unless there is also suggested how some one has turned that action into practice. This is an educational process. This is a function and a vital function of the business press. It is one of the reasons for the business press and in forwarding such movements and in explaining and interpreting them in the practical language of the particular industry, the press has an opportunity for increasing production which is second to none.

Rumania's Oil

RUMANIA has a great commercial future.

One American shipping line will soon have regular schedule between New York and Costanza and Galatz. Costanza harbor is at present too small, but harbor extension in Rumania is so necessitous as to be only a matter of time. American shipping interests should also prepare to make use of the Danube. The greatest opportunity for investment of American capital is in Rumania's oil wells.

In 1912, 1,835,940 metric tons of oil were produced and the capital invested was estimated at \$125,000,000. When the Rumanians retreated from Wallachia hundreds of wells were destroyed by British oil men that they might not fall into German hands. The Germans, during their occupation of Rumania, put a proportion of 45 per cent soundings in a state of production. At the time of the armistice they had raised the yield to 75 per cent, concentrating their attention on the richest bores.

Since the departure of the Germans the number of wells has been increased to 508, but the number of borings has been reduced from 220 to 119, owing to lack of material. Ninety per cent of the production in 1912 was from the Prahova district.

The average boreholes are less than 1,650 feet deep while the wells are from 60 to 300 feet deep only. The bulk of the petroleum is refined and the residue is employed in Rumania for heating purposes. Briquettes compressed from lignite are soaked in oil residue and make excellent fuel. Production

this year has been interrupted by strikes and export difficulties, the Standard Oil Company having had some troubles in this respect. The latter problem will be solved partly by putting into working order the Baico-Costanza pipe line and the improvement of shipping facilities via the Danube.



From the mural by John W. Alexander in the Congressional Library at Washington.



the Center

Any manufacturer whose raw materials are among those shown in chart at left would be closer to the sources of supply, if located in St. Louis, than in any other large industrial city in the United States.

ST. LOUIS is the center of economic distribution. No other metropolis with equal distribution facilities is so close to both raw materials and consumers of finished products. It lies closer to the centers of agricultural population, cereal production, and cotton production than any other great industrial community. The business men of St. Louis are seeking factories to manufacture sixteen products not now made in St. Louis, but for which a profitable local market has been established. These sixteen products are:

*Malleable iron castings
Farm implements
Rubber products
Screw machine products
Locomotive works
Blast furnaces
Cork products
Small hardware*

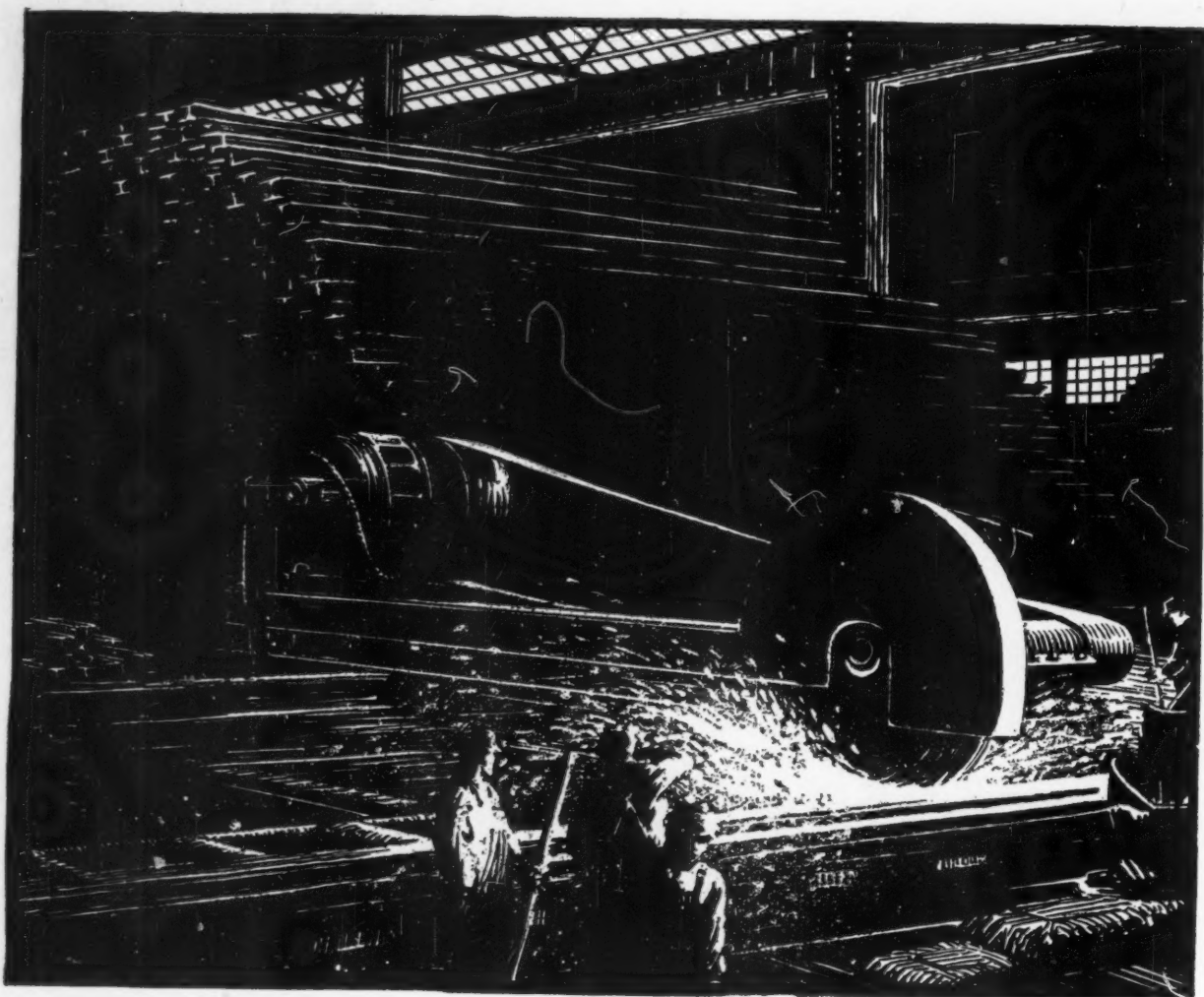
*Shoe laces and findings
Cotton spinning and textile mills
Die stuffs
Steel and copper wire
Machine tools and tool machinery
Automobile accessories and parts
Drop forge plants
Tanneries and leather products*

St. Louis is a four-sided distribution gateway. It has twenty-six railroads to markets in every direction. The Mississippi River gives waterway transportation to Mississippi Valley points and to Gulf ports for export to Latin America. This combination of railroad and water facilities makes St. Louis the great central doorway to the Mississippi Valley, South, Southwest, and Middle-West trade territory. If a Mid-West factory will help solve your production and distribution problems, you will be interested in the booklet, "St. Louis As a Manufacturing Center." A letter will bring it, if addressed to

Director, New Industries Bureau

St. Louis Chamber of Commerce

St. Louis, U. S. A.



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Little Stories of the Nation's Business

High lights in the swiftly moving drama of American Business finding itself after the shock of peace

Labor

THE shortage of laborers in the building trades in New York is estimated to be 40 per cent, despite the fact that the established wage scale for common laborers is \$6 for an eight-hour day, as compared with \$1.75 for a nine-hour day before the war.

Agricultural laborers from Mexico and Canada will be admitted temporarily during the sugar-beet season of 1920 for the exclusive purpose of cultivating and harvesting sugar-beet crops in the states of Colorado, Wyoming, Utah, Iowa and Nebraska.

Papermakers', pulp and sulphite workers' unions have consented to sign an agreement with the paper manufacturers providing for a 20 per cent advance in wages with no change in working conditions, dating from May 1. The agreement will run for one year.

Government approval of organization of labor unions would be given for the first time in Japan, under a new bill drawn up by the Department of Commerce for submission to the new session of the Diet.

Arguments that establishment of an eight-hour day would result in as large, or greater, outputs as 10 or 12 hour days have been proved fallacious, so far as France is concerned, by an investigation conducted by the Ministry of Commerce. In the merchant marine it has been found necessary to increase the personnel 50 per cent; the wood-working industry, in which working hours were reduced 25 per cent, has lost 40 per cent of its output; and makers of bicycles, carriers and other similar machines have found their production cut down 33 1-3 per cent.

Coincident with the general revival of industry in Belgium came a great increase in membership of trade unions there. From 120,714, in 1914, membership has risen to 613,500, with the Metal Workers' Union the strongest branch, its enrollment totaling 100,000.

Gen. Coleman du Pont, chairman of the Board of Interracial Council, has expressed the belief that American industries dependent to any extent upon labor of foreign-born workmen will not be able even to replace immigrant workmen who are preparing to throw up their jobs in America and return to their homelands at the current rate of immigration. Gen. du Pont attributed many of the present difficulties of industry to the inadequacy of the supply of new labor.

Finance

THE War Finance Corporation is empowered, under the act of March 3, 1919, to make loans to the extent of \$1,000,000,000 to aid export transactions during a period of one year from the date of an official proclamation of peace, and is allowed five years thereafter in which to liquidate such loans. The act was presumably intended to aid in the extension of long-time credits to foreign customers.

The Federal Reserve Board says that the disappearance of the Treasury from the long-term market and the rapid reduction in its requirements for short-term accommodation

THE importance of these paragraphs is of inverse ratio to their length. They are culled from the business news of the month, and are boiled down to the very bone to make quick and easy reading. Among them are facts that can be applied directly to the opportunities and problems of your business.—The Editor.

foreshadows the approach of the time when the financial operations of the government will cease to be the important factor in shaping Reserve Bank policies and rates which they have been.

It was recently announced from Montreal that Canadian banks made notable progress internationally during the past year, anticipating foreign trade in new fields by establishing banking connections abroad. Canada's banks and their branches are now to be found in the Far East, in South America, in Spain and France, whereas, before the war, they were represented outside of the Dominion only in England, the United States, Newfoundland, Central America, Cuba and the West Indies.

The French Minister of Finance recently stated in the Chamber of Deputies that the total expenses for operating the government for 1920 would amount to 50,052,000,000 francs, of which 22,000,000,000 francs are recoverable from Germany.

John Moody, New York financial expert, expressed the opinion recently, before the Washington Chapter of American Institute of Banking, that the chances for a serious panic in the near future are not one in ten. He said that a dropping of prices ought to come by summer.

The French Government will place 1 per cent tax on all business transactions, in addition to 10 per cent tax on luxuries, according to a press dispatch from Paris. It is estimated that the new program will bring in 8,500,000,000 francs, as well as retain 10,000,000,000 francs under the old budget.

The gold reserve in the German Reichsbank amounts to 1,090,000,000 marks, while the national notes in circulation total 38,773,000,000, according to German figures. The Banque de France has a gold reserve of 3,603,297,000 francs, to which is to be added 1,978,278,000 francs on deposit abroad.

A plan to give financial aid to Europe by loans from the United States to Latin America, the proceeds to be used to pay the debts of the Latin-American countries to Europe, was recommended by the second Pan-American Financial Congress. It was urged that the plan would financially help both Europe and South America.

Total gold exports from the United States in 1919 amounted to about \$360,000,000, while the imports were about \$76,000,000, thus indicating a loss of about \$284,000,000 through the export and import movement over that period, to which must be added a loss of about \$6,000,000 resulting from the excess of the gold used in the arts and for

industrial purposes over the value of the output of the country's gold mines.

An advance of \$1,843,000 to a banking corporation for financing cotton shipments to Czecho-Slovakia has been announced by the War Finance Corporation. It is said that the Czecho-Slovakian Government recently purchased 300,000 bales of cotton in this country.

It is announced that Kuhn, Loeb & Co., of New York, have acquired 10,000 shares of stock of the Discount Bank, of Bohemia, representing a nominal capital of 2,000,000 crowns.

Industrial Production

IN the logging industry the cost of producing 1,650,495,000 feet of logs was \$24,202,208.69, this amount selling for \$24,365,899.72, a gain of 10 cents per 1,000 feet, as shown in tabulations issued by the West Coast Lumberman's Association, covering 50 operations during 1919. In manufacturing, the cost of producing 1,995,333,000 feet of lumber was \$44,615,507.57, the amount sold being 1,666,455,000 feet, which cost \$41,583,576.40 to manufacture. The selling price was \$43,593,239.42, a gain of \$2,009,663.02, or \$1.20 per 1,000 feet.

A new company for the manufacture of artificial silk has been formed under an agreement between the Du Pont Company and the Comptoir des Textiles Artificiels, of Paris, which controls practically all of the largest artificial silk plants of Europe, having plants in France, Italy, Belgium and Switzerland. The company will be known as the "Du Pont Fibersilk Company" and has a capitalization of \$4,000,000.

Agriculture

THE largest and most modern lemon processing and packing plant in California has just been completed at Maxwell, Colusa County. It will handle the product from the greater portion of the Sacramento Valley.

The first full car of Sacramento River asparagus shipped to New York this year from the delta section was sold for \$13,000—a record price. Eastern shipments of asparagus from this section will total 600 carloads this season. A great quantity of the crop will go to the canneries.

An average price of \$901 each was paid for seventy-one registered Holstein dairy cattle at the annual Pacific coast classic auction held recently. The Holstein herds of three states, Washington, Nevada and California, were represented in the sale.

Hiram Kimball, scientific farmer of Raymond, Alberta, Canada, has developed six new varieties of dwarf bush beans. He claims that 7 tons, or 233 bushels, can be raised to the acre.

Rice growers in the United States are exporting ten times as much domestic rice as in the year before the war and are receiving three times as much money for it. The increased exports are due to increased production and to a growing recognition abroad of the value and availability of American rice.

It is probable that the 1920 cotton crop will be smaller than any of the short crops in



Secretary of Agriculture Meredith says:

"If I were to refer at all to the high cost of living, I would say its solution is a mutual problem for all of us. It is the farmers' problem; it is the laborers' problem; and it is the business men's problem; and we must all work together mutually to take out of the cost of distribution, the cost of production, and the waste in labor every item that we can in meeting this situation."

Secretary of Agriculture Meredith in a speech before the Chicago Association of Commerce.

How Swift & Company helps to solve this problem

Food is the chief item of expense in the average family. Swift & Company furnishes one of the largest outlets for meat and meat products in the world.

This is what Swift & Company did last year in solving the problem Secretary Meredith points out:

We furnished meat in quantities dependent only upon the amount of live stock produced.

We encouraged greater production by helping to find a market for animals brought to market. We carried meats in a steady stream to consuming centers—cities of millions and hamlets of hundreds. This was done at

an average profit from all sources of only one-fourth of a cent per pound of product.

Of every dollar received by Swift & Company for meat, cured hides, and other by-products, an average of 85.4 cents was paid out for live stock; 13 cents for expenses of operation and distribution; and 1.6 cents was left for profit, out of which more than 30,000 shareholders had to be paid a return for the use of their capital.

What did this? Ability, experience, equipment, resources and an underlying purpose throughout Swift & Company to prove its usefulness at all times.

Swift & Company, U. S. A.

Founded 1868

A nation-wide organization owned by more than 30,000 shareholders



the past five years, due to the farm-labor shortage in the south, which is said to be the most serious in sixty years.

Foreign Commerce

SINCE 1914, the United States has held the leading position in the automobile trade of Argentina. During the last five years the average annual exports from the United States to Argentina were 2,883 cars, valued at \$1,962,192.

Representative Rogers, of the House Foreign Affairs Committee, advocates the establishment of a school by the United States Government, comparable to Annapolis and West Point, for the training of young men for the diplomatic and consular service as part of a comprehensive plan for reorganizing the State Department.

The total foreign commerce of the Philippines, including both imports and exports, more than doubled in value in the five years ending December 31, 1919. The figures were \$97,278,287 in 1914, as compared with \$231,756,878 at the close of last year.

The official returns of the foreign trade of the United Kingdom for 1919 show that, compared with 1918, imports from European countries increased in every instance except from Norway and Italy, the former registering a fall of approximately \$32,000,000 and the latter of \$18,000,000. Among other foreign countries, imports from the United States made the greatest actual gain. Notable gains were made by China and Persia.

A national constitution has been adopted by the Assembly of Czechoslovakia and approved by President Masaryk. Under the constitution, the tenure of office of the president will be seven years, with provision that there will be only two successive terms, except in case of the present incumbent, Dr. Masaryk, who may continue in office for life.

Airplanes will be used to map the Amazon Valley, Brazil, if the French are successful in surveying the rivers of French Guiana by airplanes. Aircraft in Guiana will carry freight, mails and passengers in addition to mapping equipment.

Mineral production in Canada last year was the smallest since 1916. The total value of the output in the twelve months was \$173,075,913. This was \$38,225,984 less than the production in 1918.

Industrial and commercial enterprises of the Dundee manufacturing district, of Scotland, are just beginning to give attention to welfare work among their employees. One large manufacturing concern has announced an elaborate scheme for providing facilities for social recreation for their Dundee workers. At present the firm operates a canteen, a swimming club and a library, and is planning to provide facilities for outdoor sports, such as tennis, cricket and hockey. To do this, the company has purchased $3\frac{1}{2}$ acres of ground adjoining its plant.

Foreign

AN official trade report states that amalgamation of department stores in England is noted as the latest development of a tendency toward combination in each branch of England's national industry.

The American Embassy at Paris has cabled that the French Ministry of Commerce and Industries announces that the post of commercial attache has been created for Ger-

many, Argentina, Belgium, Brazil, China, Spain, the United States, Great Britain, Italy, Russia, Poland, Roumania, and Switzerland. The post of commercial agent has been created in Germany, Finland-Estonia, Hungary, Italy, Japan, Persia, Portugal, Czechoslovakia and Serbia.

Roumania no longer feels the need of a large army, and demobilization is now going on at a rapid pace. Soldiers are being released as rapidly as possible so that they may take up the development of agricultural districts.

War experiences have taught France the value of motherhood. A bill has been introduced in the French Parliament providing assistance for expectant mothers, married or unmarried, during the whole period of pregnancy. The bill also provides for free shelter, if necessary, for at least thirty days.

The Chief Officer of the Treasury of Mexico is authority for the statement that at the present time there is not less than \$300,000,000 in gold coin in circulation throughout the Republic. The greater portion of silver coin has disappeared because of the fact its bullion value is greater than its face value.

The *Dry Goods Economist* states that a bonus of 160 pounds per ton has been paid to Irish flax growers for their 1919 crops already sold. This action was due to the fact that English flax, which was not controlled by the government, sold 160 pounds per ton higher than the government price on Irish flax. It is believed that the effect of the bonus will be to increase greatly the acreage devoted to flax raising in Ireland during the present year.

Statistics recently published by the French Government show that in 1919 imports from Germany were valued at 590,696,000 francs and exports to Germany at 1,283,878,000 francs. In 1913 the total imports into France from Germany were valued at 1,068,800,000 francs, while the exports from France to Germany amounted to 866,766,000 francs.

The French Government has removed restrictions regarding newsprint paper and permits publishers to make their own contracts as to price and shipping arrangements. This action was taken by the government, despite the fact that the newsprint situation at Paris is acute, with the price of paper 9,000 francs a ton.

The population of Canada for 1920 is estimated at 9,000,000, as compared with 7,000,000 in 1911. The estimated total revenue for Canada during the present year is placed at \$325,000,000.

The premium on silver marks, established last January, when one silver mark was bringing eight marks in currency, will be withdrawn by the German Reichsbank. This action is due to the drop in the price of silver all over the world.

The crop of wheat in the Ukraine for 1919 approximated 340,000,000 bushels, or about 70,000,000 bushels more than the preceding year. Previous to the war this territory produced about 40 per cent of the wheat raised in Russia in Europe. It is also estimated that in Kuban territory there is an exportable surplus of 16,000,000 bushels of wheat and 13,000,000 bushels of barley.

The formation of over 20,000 companies in Japan since the outbreak of war, with an aggregate capital of about 4,000,000,000 yen, is reported by the British Commercial

Secretary at Tokyo. Many of these companies are far from being sound, and authorities are preparing legislation to suppress the sale of questionable stocks.

Chinese owners of tungsten mines in south Hunan are desirous of securing approximately \$300,000 of American capital for development purposes.

The output of coal in Japan during the first eleven months of 1919 was put at 25,825,000 tons, showing an increase of 2,740,000 tons, or about 10 per cent, as compared with the corresponding period of the previous year. This was attributed to the revival of old mines and the increase in the number of new mines, owing to the profitable prices obtaining.

The price of gasoline in England has been advanced 14 cents per gallon, from 74 to 88 cents. The *London Times* estimates that the consumption of gasoline in the United Kingdom for 1920 will be 240,000,000 gallons, and therefore the increase will swell the gross revenue of the oil companies by \$33,600,000. The immediate effect will be to increase the costs of operation to the private motorist by two-thirds of a cent a mile.

The Brazilian Government has extended a credit of \$25,000,000 to Italy for the purchase in Brazil of food products, including frozen beef, cereals, lard, coffee, sugar, cotton and rubber.

The Anglo-Persian Oil Corporation, of London, which secured a monopoly in Persia some years ago, is now refining considerable oil at Mohammerah, Persia. This company also obtained certain rights in Mesopotamia from the Turks, which have been recognized by the present British authorities.

Merchant Marine

THE development of the Raritan River and the Raritan Bay as navigable waterways in the promotion of business is the aim of the newly organized Raritan Terminal and Waterways Association, of New Brunswick, N. J.

Merchant steel-ship building on a commercial basis in the United States shows steady progress. On January 1, 1920, American shipyards were building, or under contract to build, for private shipowners, 165 steel vessels of 679,170 gross tons. On February 1 the total had increased to 183 vessels of 791,911 tons, and on March 1 the total was 247 vessels of 947,193 gross tons.

Sixty per cent of the British merchant marine is employed in government service, and only 6,000,000 gross tons are free to compete in the open market, says the Shipping Board. The tonnage now free is estimated to be 30 per cent less efficient than in pre-war days, so that the figures for practical purposes are reduced to about 4,000,000 gross tons. The British merchant marine in 1913 amounted to about 17,500,000 gross tons, all of which was free from government restriction.

Reports from the American Chamber of Commerce in London indicate that Britain's maritime salvage industry is being developed greatly, and it is out to capture the world's salvage work formerly almost entirely in the hands of the Dutch and Norwegian firms. The first firm in the field is the Maritime Salvore, Ltd., who have acquired from the Admiralty a permanent base of operation at Newhaven.



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“COMPARE THE WORK”

The Cold Facts about Storage

In the outcry against cold storage we are apt to forget that in this way fat seasons feed the lean, and prices are kept down through the saving of perishable food

By AARON HARDY ULM

ONE REASON for the H. C. L.," said the fat man who had squeezed himself and big overcoat into a one-armed, quick-lunch chair, "is cold storage."

He spoke slowly because his mouth was muffled with huckleberry pie.

"The Government ought o' put every cold storage place out o' business," he went on as he carved out another hunk of pie. "Say Jake," to the man behind the service-counter, "how 'bout 'nother slab o' huckleberry?"

Unfortunately he didn't know that Lunsford's huckleberry pie was at that time, mid-winter, essentially a cold storage product. And that was true of many other things that graced the Lunsford menu.

When Lunsford was starting his chain of lunch rooms, he noticed that a period of spring saw huckleberries a drag on the market and that quantities of them were often thrown away because of over-supply.

"Why can't I buy them up, preserve them and make huckleberry pie a year-round feature in my restaurants?" he asked himself.

He could hold them indefinitely without much expense, he found, by freezing and storing them. And that's why you can always get good huckleberry pie at a reasonable price at Lunsford's restaurants.

If there is one modern subject filled for the novice, with surprises, it is cold storage. And one of the most astonishing encountered by this writer was the fact that, if you want to make the average food specialist writhe with disgust, just intimate that you give credit to one-half the popular prejudices and misbeliefs anent cold storage and cold storage products.

"It is a great blessing to be able to put meat, vegetables, and fruit into cold storage where they will keep, there is no doubt about that," declared James Wilson several years ago when United States Secretary of Agriculture.

"It is not cold storage *per se* that I object to," says the thoughtful person, "but to its misuse."

And there is merit in that position, but investigation of the subject tends to indicate that public opinion doesn't always draw the distinction stated. In truth the attitude of a great part of the public toward cold storage and cold storage food is warped by many Frendian complexes, due in the main to lack of information on the subject.

How many persons, for example, know that cold storage and cold storing are different enterprises?

How many know that a frozen fish, perhaps six months out of the water, is apt to be a chemically "fresher" fish than a so-called "fresh" fish three days out of the water?

How many know that the musty taste that identifies the cold storage egg is due more to the straw-board in which it is packed than to the disintegrating effect of time?

Yet the answers are plain facts, developed and asserted in the main by government specialists.

There is now in this country nearly a half million cubic feet of cold storage space. About one-half of it is comprised in what are known as "public cold storage warehouses." In those houses anybody who wishes to may rent space and store food or other things, just as they may rent space in a bank's vault. The owners and operators of those warehouses, as a rule, don't engage in storing; they serve only as caretakers.

A small portion of the remaining half of our cold storage facilities are "private," that is to say, they are owned by dealers in food who do not sublet space to the general public. Most of the remaining half, however, belong to the meat packers, who employ the bulk of it in the process of curing meats for general distribution, and not for the purpose of indefinite storage, though some is so used.

Hence it may be stated as a basic proposition that storage and storing are separate entities, deserving separate attention for they present different problems. The problems of storage are scientific and mechanical; those of storing economic. Science and in-

something new. Intrinsicly it is as old as the ages and has been practiced since men first realized that the winter's sun doesn't bring forth food as does the sun of spring.

It even figures in measures of conservation practiced by some animals and even by insects like the bee, who, in some respects, knows the principles of refrigeration better than do men.

An expert tells me that the first commercial cold storage houses were chilled with natural ice; so were the first refrigerator cars. Even as late as 1895 two-thirds of the refrigerating equipment of the big Chicago packers was dependent on ice cut during winter seasons from the surface of the Great Lakes.

Can't Make Bad Eggs Good

BUT artificial refrigeration does account for the great growth of commercial cold storage during the past twenty-five years, and largely for the immense progress toward mechanical and scientific perfection of the practice as made during the past ten years.

Like most relatively new things cold storage, when put on a commercial basis, was over-estimated. Because it would keep an initially good article in good condition, many people believed it would turn a bad article into a good one. What cold storage does is to "suspend animation," so to speak; it doesn't destroy the factors of decay nor can it eliminate decay.

"We found that what was happening in cold storage was predicated almost entirely upon what happened before the goods went into cold storage," says Miss M. E. Pennington, for many years in charge of the Government's Food Laboratories, where elaborate investigations of cold storage products were made.

Hence, because of an over-estimation of the powers of cold storage, for many years storers engaged in faulty practices. Goods often were not stored until they had deteriorated in the open market. Care wasn't exercised in packing or handling them. Frequently they were taken out and passed off as fresh goods, when, as in the case of frozen meats, the housewife should know when products have been in storage so that she may treat them accordingly.

The result of many bad practices caused cold storage products to get a bad name that heightened the

natural suspicions of consumers.

All the bad practices have not entirely ceased, but, according to government investigators, they have been practically eliminated.

No longer can an unscrupulous speculator buy up foodstuffs that are not salable because of decay, and employ the facilities of a cold storage warehouse in concealing the deficiency. The reputable warehouseman will not accept such consignments.

In fact, the majority of storers now go to the sources of supply, purchase products fresh and put them in storage immediately.

(Continued on page 50)



Would you abolish the means by which science gives you the delicacies of summer in the dead of winter?

vention have done much toward perfecting the mechanics and processes of cold storage. The evolution of the cold storage principle has brought about the development of food-producing and food conserving industries that account for perhaps \$2,000,000,000 of business annually—industries that would disappear if cold storage were annihilated.

While concurrent, the evolution of commercial cold storage and artificial refrigeration were not identical. This accounts probably for one of the minor complexes in public opinion regarding cold storage. For the popular impression views cold storage as



Sturtevant

PUTS AIR TO WORK

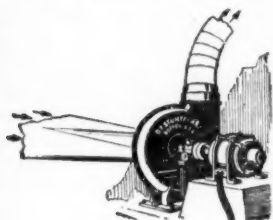
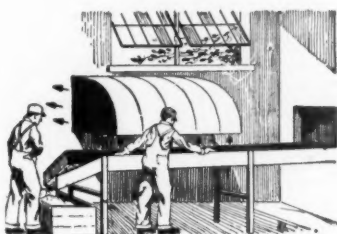
The use of steam opened up a new world of invention. The control of electricity brought forth apparatus which is marking the twentieth century as an age of mechanical genius. In step with these giant strides is the development of Sturtevant air apparatus.

For more than sixty years Sturtevant equipment has been distinguished for its sturdy construction. Sturtevant machines have always done better work than other machines with the same ratings. The longer life and more efficient operation of Sturtevant products form a paying investment.

Air Makes Better Pop-corn

While a Sturtevant engineer was working in a factory which turned out candied pop-corn he noticed the unsanitary and inefficient system of sorting the pop-corn. Girls sat close together, picking the fluffy, eatable pop-corn from the hard, imperfectly popped grains. The task was slow and the chances of spreading contagion among the buying public were many.

It was suggested that the pop-corn be sorted by air. Today the pop-corn is carried in on a moving screen above which a gentle current of air sucks—just strong enough to lift the light, eatable pop-corn, yet not strong enough to raise the heavier, imperfectly popped grains. A Sturtevant Air Conditioning System was also installed to remedy all troubles arising from excessive humidity.



Cleaning Oriental Rugs by Air



Standing unseen in the corner of one of those quaint shops which are loaded down with oriental treasures is a Sturtevant Vertical Stationary Vacuum Cleaner. The powerful suction from this machine cleans hundreds and hundreds of rare rugs—cleans them entirely by air, without the slightest danger of injuring them.

Sturtevant Vertical Stationary Vacuum Cleaners come in various sizes suitable for use in private dwellings and small clubs. They run noiselessly and are distinguished by their sturdy construction. A Sturtevant Vertical Stationary Vacuum Cleaner can be quickly installed in buildings already completed or those in the course of construction.



These are only two ways Sturtevant puts air to work

Sturtevant Apparatus is very likely improving conditions and increasing profits in your own industry. If you will write, telling the nature of your business, a bulletin will be mailed which describes in detail the particular apparatus that can do some of your work. On special request, a Sturtevant representative will visit you at your plant. Address

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EUGENE N. FOSS, President

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San Francisco, Cal. 759 Monadnock Bldg.
Seattle, Wash. 1134 Henry Bldg.
Washington, D. C. 1006 Loan & Trust Bldg.

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Winnipeg, Manitoba; Reliance Equipment Co., Ltd., 914 Somerset Block. Galt, Ontario. Montreal, 404 New Birks Bldg. Toronto, 210 Lumsden Bldg.

STURTEVANT ENGINEERING COMPANY, LONDON

Take fish, for an example. Ten years ago a large proportion of cold storage fish didn't reach the freezers until they had been flung around for days in the open markets. Now the bulk of fish that are stored are thrown into freezers as soon as they come out of the water, often while still alive. Then they are given a coating of ice which is renewed every few months.

Government specialists have preserved fish in that way for 27 months and have eaten them at the finish, and declare that there was virtually no deterioration and but little loss in palatability.

Likewise, when perfectly fresh eggs were put into cold storage and properly protected there, they were amenable to soft-boiling and poaching three to four months later, and showed but little deterioration in quality after from ten to eleven months.

One of the troubles with the cold storage egg, as discovered by Miss Pennington, is the common practice of storing them in cartons made of wheat straw. The steady flow of air at low temperature carries the taste of the straw into the egg. This could be avoided, say the experts, by using cartons made of wood-pulp paper, old newspapers being sufficient to supply raw material.

Ten years ago government specialists found that poultry couldn't safely stand more than three to four months of cold storage. Under improvements later developed, the same specialists say that poultry can now stay in cold storage from ten to twelve months without virtually any deterioration and loss in palatability.

They declare that the dietetic difference between cold storage products properly selected, packed and stored in the right temperatures, and absolutely fresh products is so negligible as to be unworthy of notice.

But you can't generalize so clearly and definitely about the economic phases of cold storage food. The storer of food must be, perhaps to a greater extent than any other food merchant, a speculator. He must stake his investment against many risks which cannot be definitely anticipated.

Capitalizing the Hen's Industry

WHEN he goes forth in spring, for instance, and buys up eggs while the hen is working with feverish industry and producing in three months nearly half of our annual egg supply, he must calculate against the gaugeless future.

"He may certainly count on eggs being much higher priced during the next December," someone says.

True, but it's the margin that troubles him.

For, as a great many people do not realize, it costs money to keep food in storage. On eggs alone it is one to two cents a dozen a month. And there is interest on the investment and loss from spoilage—or such of it as is not passed on to the consumer—and on breakage.

Then the sun of November and December may shine with ardor and stimulate the hen to unusual industry. Egg production in winter is a variable quantity depending on numerous factors. If large, the price of fresh eggs will hold somewhere within the range of reason. Then the general average of prices may de-

cline. And, as happened to some extent last winter, people may have so much money that they, as a rule, will insist on getting fresh eggs at any price. There were times during the last few months when storage eggs moved sluggishly at prices from 25 to 40 cents a dozen below new-laid eggs hovering close to a dollar a dozen.

All those factors may cut the margin between the price of eggs in spring and in winter to below the actual cost of storing them during the interim.

Investigations made by the United States Bureau of Markets indicate that egg-storing is a see-saw game. Practically each season of profit has been followed by one of loss. The

Some sentimentalists may be deeply affected by the thought that former breweries have been made into cold storage plants.



average profits for a period of ten years have been from 5 to 8 per cent.

When things break favorably for the storer, as they often did during war times, he reaps a handsome profit.

Cold storage makes possible the garnering and conservation of surpluses in times of plenty for use in times of scarcity.

Its effect on prices paid to producers and paid by consumers is involved in a maze of phenomena that defies clear analysis. During the period of cold storage development all price levels have steadily and at times radically tended upward, because of reasons as diverse as they are complicated.

Those who have studied the economics of cold storage assert that the practice has tended to stabilize and equalize prices of those things considerably affected by it.

"The average wholesale price of butter was in winter 8¼ cents less during the decade 1900-1910 than during the winter seasons of 1880-90, and in summer the price was 1¼ cents higher," says one.

A Massachusetts commission, about eight years ago, reduced some price scales bearing on cold storage products to diagrams. The curves in its report tend to straighten with the development of cold storage.

But there is one statistical phase of the subject which appears to be conclusive. Consumption of those products amenable to cold

storage have greatly increased out of proportion to growth in population. The average New Yorker, for example, has during the last fifteen years consumed considerably more eggs, more poultry, more butter and more vegetables than during the last fifteen years of the last century. The reason is that he used to, in large part, go without those things except during the periods when a flush market made them cheap. They were so costly in winter that he could afford none or very little of them.

And then one must not forget the contribution made by cold storage's close allies, the refrigerated ship and railroad car, to the varying of the diet of the modern family.

In fact, one expert associates refrigeration and cold storage with the virtual scurvy disappearance from this country, once a scourge caused by uniformity of diet.

Great fruit and trucking, not to mention meat and poultry, industries that thirty years ago would have been impossible ventures are now sustained by refrigeration, which makes national as against local distribution possible, and in many cases annual as against seasonal.

We shipped more than \$600,000,000 worth of frozen beef to our men in France, and at the same time as much more to our allies. Only one carload went bad, and only one-third of that had to be destroyed. When the great war began French laws forbade the serving of any meat not killed on the battlefield to French troops!

In fact, as this is written, the War Department has on hand more than 50,000,000 pounds of left-over frozen beef, and it is pronounced by experts to be as good as any beef extant.

Thereby hangs an interesting story. The War Department wanted to use its cold storage meats in reducing the general

H.C.L. But when they came to do it, many difficulties were met. We are not accustomed to frozen beef. The retailers don't like it because they have to cut it with axes or let it thaw out when it takes on a flabby appearance and is still hard to handle. Then few were in position to handle it in carload lots or dispose of as many front quarters as of hind quarters. Finally, the War Department awoke to the fact that inasmuch as the beef still on hand had been in storage more than twelve months it could not be sold in those states having cold storage laws, for they generally contain twelve months limitation.

It Developed Too Fast

THE incident illustrates how war-developed cold storage outdistanced that of peace. If cold storage had evolved to its fullest possibilities the War Department would have had no trouble distributing its meats through regular trade channels.

But ordinary peace-time commerce supplies cold storage figures that are of amazing volume, so great indeed that one who wants to present only half-truths will find no difficulty in giving the cold storage ogre a frightful appearance.

On January 1, last, there was in storage no less than 80,000,000 pounds of poultry; 55,000,000 pounds of butter; nearly 20,000,000 pounds of frozen eggs (used exclusively by



The Real Meaning of *"Best in the Long Run"*

"BEST IN THE LONG RUN" is a slogan that is almost as old as the history of tires. It grew out of the performance of Goodrich Tires on bicycles, and it grew into the *dependability* of Goodrich rubber products of all kinds.

It is not just a catch phrase. It is a plain statement of fact.

It is really a mirroring of the confidence placed in Goodrich products by their users. In five words it crystallizes the

ideals, the policies, the principles of Goodrich.

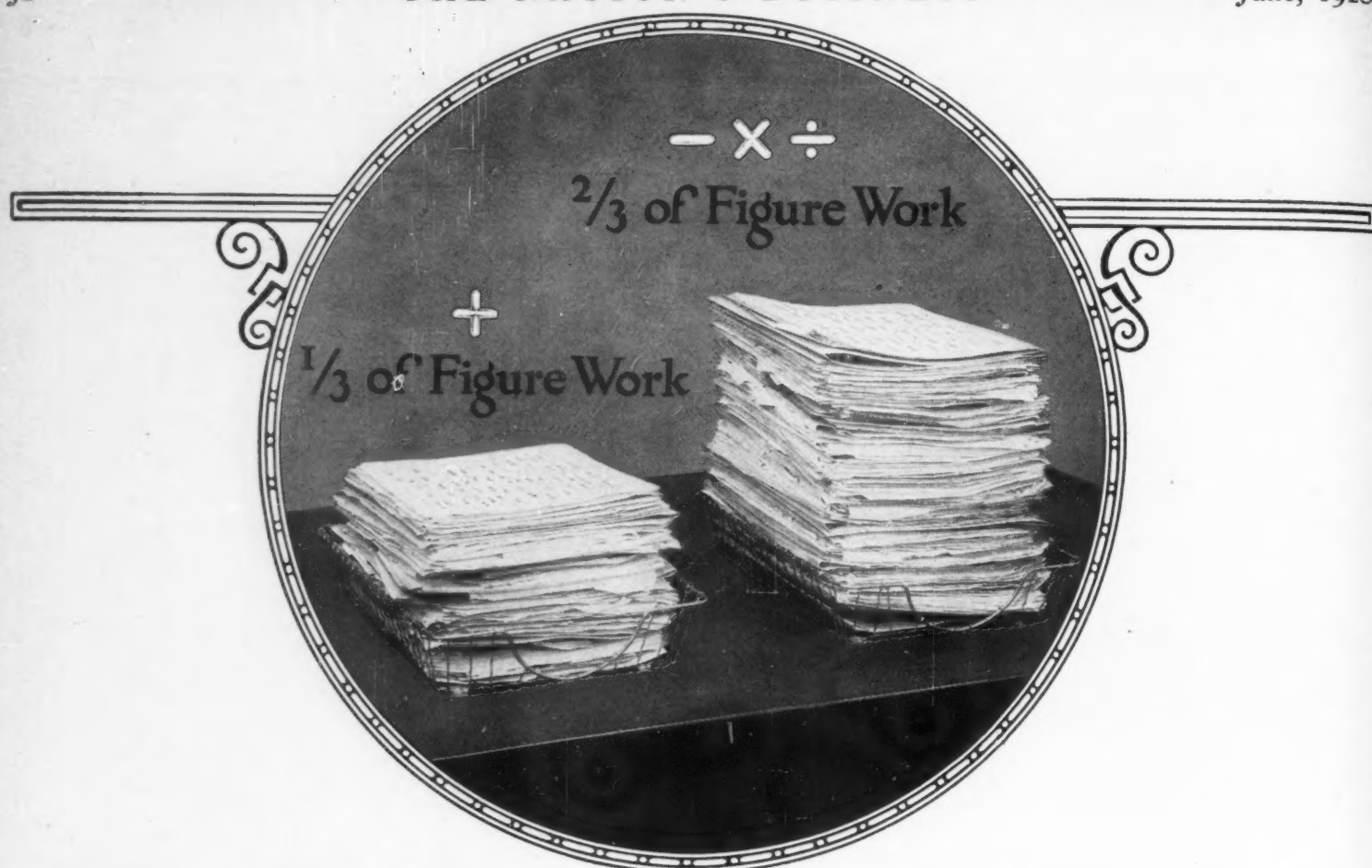
It means "the long run," of good faith and good will—the steady building up of a confidence in the minds of the users, *which is the greatest asset a manufacturer can have.*

That is how Goodrich translates this slogan into terms of longest average wear, utmost dependability and known quality in all kinds of rubber products.

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Goodrich Tires

"Best in the Long Run"



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THE ELLIOTT-FISHER CO.

Mfrs. of Bookkeeping Machines

Chose Monroe for Their Offices:

They write:

"Because the human element plays such a small part in calculating with the Monroe, no mental figuring whatsoever being necessary, and also because the operation is so simple, the Monroe has proven invaluable in our offices.

"We are glad to acknowledge the service the Monroe equipment has rendered us. This has been proved to us by several years of service."

ADDITION is only a small part of the daily figure-work in business today. It may be worth your while to prove this in your own office. Keeping tabs on your own figure-work for one week would probably show you that—

$\frac{2}{3}$ of the work involves either multiplication, division or subtraction.

Only $\frac{1}{3}$ of the burden is addition.

Which means—

$\frac{2}{3}$ of your figure-work still relies on slow, uncertain methods.

$\frac{2}{3}$ of your figure-work still invites errors.

$\frac{2}{3}$ of your figure-work requires hours for completion, instead of minutes.

You must have a machine that adds, of course. But even

MONROE

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2/3 of figure-work involves either multiplication, division or subtraction. Only 1/3 of the burden is addition. The Monroe will do ALL your figure-work.

more important, you must have a machine that multiplies, divides, and subtracts too—and as easily and surely as it adds. The Monroe Calculating Machine will do ALL your figure-work.

Start the Monroe hustling on your invoices. Let it hurry out your payrolls. See how quickly it handles the most complicated problems—even square and cube root—and with absolute accuracy.

The Monroe pays for itself in the saving alone of costly errors.

Invite a Monroe representative to call, by mailing the coupon below. No obligation. Let him study conditions in your office. He will tell you candidly whether you can profit by installing a Monroe Calculating machine.

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See How Easy It Is to Figure on the Monroe

Set your figures on the Monroe standard flexible keyboard. Turn that "intelligent" little crank—forward to multiply or add; backward to divide or subtract. Your answer *and proof* appear simultaneously in the dials. That's all there is to it. The Monroe eliminates every unnecessary operation. No complements. No reciprocals. No trained operators. No rechecking to insure accuracy. It embodies the simple, direct method of calculation. The Monroe is always right the first time.

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N. B.-6-20

bakers) and 1,500,000 cases of "case" eggs; and 2,500,000 barrels and 8,500,000 boxes of apples.

There are hoardings for you! Parceled out among the full population of the country these supplies would have lasted perhaps one week.

When a few months ago H. C. L. scouts seized 2,800 cases of eggs that were in the possession of one concern in a southern city, a great hullabaloo was raised. They represented a week's supply for the territory for which they were intended!

There are a thousand or more cold storage warehouses in the country, and the number as well as the average size is rapidly increasing. A great many breweries are taking up refrigeration. It is not uncommon for a single warehouseman to carry from 500 to 5,000 accounts, ranging from that of a small restaurant or even a householder to those of wholesale food merchants and even large producers.

Therefore, all experts agree that the big

volume and wide distribution of the business, together with the large number of individuals engaged in it, renders concerted hoarding or price-fixing practically impossible.

Then nature has put an economic limitation on the holding of foodstuffs. The cycle of the seasons renders it impracticable to carry food for more than ten to eleven months at the widest, except in extraordinary cases; for other crops come on and make the fresh product cheaper than the stored.

The warehousemen and dealers express themselves willing for the law to buttress the force of the seasons, as it does in many states, by putting a twelve months' limitation on food products generally held in storage.

The danger in legislative activity, with regard to cold storage, is in injuring the business without helping the public. A few years ago Pennsylvania adopted a very rigid regulatory law, placing severe limitations on the time foodstuffs could be kept in storage. The

result was the virtual driving of cold storage business out of the state. When the war brought the Food Administration into existence one of the first things it did was to suspend the Pennsylvania law. Later the law was supplanted by what is known as the uniform cold storage act, prepared under the auspices of the American Bar Association, and now prevalent in about fifteen states.

The cold storage people are now urging the enactment of federal legislation patterned after the regulations of the Food Administration and the so-called Uniform Statute.

It is estimated by a competent expert that mechanical refrigeration adds not less than a billion dollars a year to the wealth of the people of the United States, besides the enormous additions to human comfort, health and convenience. And the additions are largely because of cold storage, which renders the Georgia peach, the California orange, the New York apple, a national product.

The Thirty-Seven Export Sins

All the popular omissions of overseas commerce were in the list—but the theoretical expert got the shock of his life when he discovered who it was that committed them

By CHAUNCEY DEPEW SNOW

Manager, Foreign Commerce Department, Chamber of Commerce of the United States

THE THEORETICAL Export Expert, billed to his reading public as "the greatest authority on foreign trade" was shaking his head with a despairing smile as he read in the *Journal of Commerce* an account of another export house going to the wall. The Practical Export Man, who, like so many of the successful export men, was pretty much of a student, at this point dropped in for one of his periodical talks with "the greatest authority on foreign trade."

"What's amusing you so? Found another lot of machinery listed in the inward manifest of some steamer from Reykjavik, and got it all doped out that it's another horrible example of a reject for bad quality, faulty packing, and lack of disinfection?" queried the Practical Export Man.

The Theoretical Export Expert looked up reproachfully and replied: "You needn't make a joke out of it. Alas, instances of the kind are all too many! But what I actually was reading was the announcement that a receiver has been appointed for another one of these blockhead export concerns. Cancellations by foreign customers did it. Why, oh why, won't they ever learn?"

The Practical Export Man reached into his pocket and pulled out a newspaper. "Here's something that will interest you. Here's a consul telling about the trouble he has with the exporters, and he makes a list of 37 separate and distinct grounds on which he has to reject consular invoices submitted for certification."

"Don't I know it?" answered the leading authority on foreign trade. "Haven't I been trying to drum it into their heads all these years? They're dumb, that's what's the trouble with them."

The Practical Export Man grinned: "Let me read some of these 37 varieties of faults to you. They're illuminating. Listen to this now. The first one is, 'it is not made out on firm, durable paper'; the second, 'it is not legible'; the third, 'it does not comply with

the regulations as to permanence of entry.' Then they fail to date the invoice or the declaration, they specify the port of entry by name but don't show what state it is in, though there may be half a dozen ports by the same name; they don't leave space between items and they don't summarize contents."

The Theoretical Export Expert interrupted: "Now that point about not showing which town of a given name is meant is very important. Think of all the Santiagos there are in the world, and the poor boobs go right along shipping to 'Santiago' without any more indication of which one they're talking about. Just the same as if they were shipping to some American dry goods house that was located on the principal thoroughfare of some town, and just addressed it 'Main Street,' and then wondered why it didn't land in the right town." The emotions of the Theoretical Export Expert were rising at the thought of these breaks on the part of our exporters.

"But listen to this," his visitor went on, "they don't specify what currency is involved; they don't set forth the costs and charges; they don't show both seller and purchaser; the goods are not described with sufficient detail to indicate their nature, grade, and quality; the wrong form of invoice and declaration has been used; the"—

The Theoretical Export Man got up nervously and interrupted again: "Please don't read any more; I can't stand it. These are the very things I've been writing about."

"I used to be optimistic; used to think that by my calling these faults to their attention our exporters would eventually learn something. But, do you know, sometimes I get almost desperate. Can you picture an English exporter pulling boners like that? Can you fancy the thorough-going, painstaking Englishman, with his generations of foreign trade experience and tradition in back of him, making such puerile blunders—

illegible invoices, currency not shown, invoice not signed! Horrible! To think that our business men, after their skill in the producing, should be so woefully behind when it comes to international trade." He paused for breath.

The Practical Export Man reached for his hat, folded up the newspaper, stuck it back in his pocket, and started for the door. "By the way," the Theoretical Export Expert asked him as he was leaving, "which consul was it that made up this list? I'd like to have an interview with him and frame up another article to ding the seriousness of this thing into our blundering exporters."

Here's Where the Shock Came In

THE Practical Export Man gravely replied. "This particular consul is Hon. Wilbur T. Gracey, the American Consul at Birmingham, England, addressing himself, not to the bonehead American exporters, but to the thorough-going, painstaking Englishman you're been telling me about. He drew up this list of 37 fatal defects committed by English exporters bringing invoices to him to certify in connection with exports to America. They made so many breaks that he took the opportunity presented him to catalog two columns of 'em in the *Birmingham Chamber of Commerce Journal*. And now it's being quoted in the organs of the other British chambers of commerce. This happens to be an article in the *Northamptonshire Journal of Commerce* for March, 1920, that I've been reading; it suggests that there's something for the Northampton exporters to take to heart. *Hasta la vista*, old top! It's a dawgone shame the way exporters keep spilling the beans."

After which The Ultimate Authority on foreign trade repeated some of the "Golden Thoughts of Marcus Aurelius" which he had committed to memory for occasions of the kind, then turned to his typewriter and tore off 2,500 words on "Technique in Exporting."

Roll Call

of White Truck Fleets

In Actual Service



THE White Annual Roll Call has become an *institution* in the motor truck industry. Year after year, actual figures show the growth of White fleets among owners operating ten or more White Trucks.

No more impressive evidence could

be given of their dependability, durability and economy in all lines of business.

These owners *know* truck value. They increase their White equipment *steadily* because White Trucks *steadily* do the most work for the least money.

There are 3,691 White Fleets, comprising 40,919 trucks, exclusive of single truck installations.

	1910	1911	1912	1913	1914	1915	1916	1917	1918	To-day		1910	1911	1912	1913	1914	1915	1916	1917	1918	To-day
Abbotts Alderney Dairies, Inc.	0	0	0	1	4	6	7	8	8	14	Atlanta Baggage & Cab Co.	0	0	0	0	0	0	0	6	10	10
Abraham & Straus	0	0	0	0	0	0	0	10	10	17	Atlanta Chero-Cola Bottling Co.	0	0	0	0	0	0	0	0	0	13
Acme Cash Stores	0	0	0	1	1	3	3	4	5	10	Atlantic Ice & Coal Corporation	0	0	0	15	15	15	20	27	34	46
J. N. Adam & Co.	0	0	6	8	8	8	8	8	10	17	Atlantic Refining Company	1	4	9	31	67	86	184	275	324	345
City of Akron, Ohio	0	0	0	1	1	1	4	5	8	11	Atlas Powder Co.	0	0	0	0	0	0	0	3	6	12
Akron Pure Milk Co.	0	0	0	2	3	6	6	6	6	13	Auto Livery Company	0	0	0	0	0	0	15	15	15	15
Akron Storage & Cont'n'g Co.	0	0	0	0	0	0	2	5	5	10	The Bailey Company	0	1	3	6	6	13	16	17	20	25
Alabama Coca Cola Bottling Co.	0	0	0	0	0	0	0	1	1	12	Oliver H. Bair Co.	0	0	0	0	5	6	6	9	9	11
Alexander & Walling	0	0	0	0	0	0	2	3	5	10	City of Baltimore	0	3	4	7	14	14	29	30	31	34
B. Altman & Company	0	0	8	8	33	67	92	92	93	93	Baltimore Transit Company	0	0	0	0	0	1	1	20	20	20
Aluminum Co. of Am. Interests	0	0	0	0	1	2	2	16	20	25	Barker Bros., Inc.	0	0	0	0	0	0	0	0	1	13
Amer. Agricultural Chem. Co.	0	0	1	1	1	1	5	8	9	17	The Barrett Company	0	0	0	0	0	0	11	17	19	21
American Amb. Field Service	0	0	0	0	0	0	1	22	22	22	Bellevue & Allied Hospitals	0	0	0	1	3	9	15	19	19	24
American Can Company	0	0	4	7	8	8	33	56	66	70	Bernheimer Bros.	0	0	2	3	3	3	3	3	3	10
American Petroleum Company	0	0	0	0	0	0	0	12	26	26	Best & Company	0	0	0	0	0	0	0	0	18	25
American Railway Express	0	0	3	14	23	27	88	98	111	121	Sam'l Bingham's Sons Mfg. Co.	0	0	2	3	4	4	6	10	10	10
American Red Cross Society	0	0	0	0	0	0	0	86	122	123	William Bingham Company	0	0	0	0	0	0	16	17	20	23
American Steel & Wire Company	0	0	1	5	5	6	10	16	20	23	Birm'h'm Chero-Cola Bott. Co.	0	0	0	0	0	0	0	2	2	27
American Stores Company	0	1	2	9	14	14	15	29	37	81	Black & White & Town Taxis	0	0	0	26	40	76	151	151	151	187
Am. War Relief Clearing House	0	0	0	0	0	2	18	32	32	32	Blake Motor Trucking Co.	0	0	0	0	0	0	13	18	20	20
Ammen Transportation Co.	0	0	2	7	8	9	11	11	32	32	Block & Kuhl Co.	0	0	0	0	1	3	5	9	14	14
Anchor Cartage Co.	0	0	0	0	0	0	2	5	8	12	Boggs & Buhl, Inc.	0	8	10	18	23	24	24	24	23	32
Anheuser-Busch Brewing Ass'n	0	0	0	0	0	1	17	19	19	20	Bohlen-Huse Coal & Ice Co.	0	0	5	7	7	7	7	7	10	10
Arlington Mills	0	1	1	1	1	2	2	11	12	13	Henry Bosch Company	2	8	8	9	10	10	11	12	12	12
Armour & Company	0	4	30	51	63	84	165	226	259	309	City of Boston	0	2	9	12	17	18	18	19	22	22
Associated Bell Telephone Cos.	0	1	6	30	46	84	311	447	477	517	Bradford Baking Company	0	0	0	9	20	25	26	26	26	29
*Associated Dry Goods Corp.	0	0	8	13	23	29	37	40	88	127	The Brandt Company	0	0	0	0	0	0	1	10	25	25
City of Atlanta	0	3	6	8	10	10	11	11	15	15	Brockton Transportation Co.	0	0	0	0	0	0	0	0	7	16

*Exclusive of subsidiary or affiliated companies individually listed.

Continued on following pages

Continued from preceding page



Roll

of White Truck Fleets

	1910	1911	1912	1913	1914	1915	1916	1917	1918	To-day		1910	1911	1912	1913	1914	1915	1916	1917	1918	To-day
Brooklyn Alcatraz Asphalt Co.	0	0	0	2	9	9	11	11	11	11	Georgia Fruit Exchange	0	0	0	0	0	0	0	12	37	33
Brooklyn Daily Eagle	0	0	0	0	0	0	0	6	9	11	Georgia Railway & Power Co.	0	0	1	3	7	7	18	22	24	24
Bry-Block Mercantile Co.	0	0	0	0	0	0	0	0	10	10	Gimbel Bros., Inc., (Milwaukee)	0	0	0	2	3	4	6	7	7	13
M. Burkhardt Brewing Co.	0	0	0	2	2	2	5	5	5	11	Gimbel Brothers (New York)	0	20	26	46	59	59	62	62	71	71
P. H. Butler Company	0	0	0	1	1	4	6	11	12	12	Gimbel Brothers (Philadelphia)	0	0	0	0	0	0	0	0	0	7
Cable Draper Baking Co.	0	0	0	0	0	0	0	0	0	10	Glacier Park Transportation Co.	0	0	0	0	10	20	22	23	23	24
Caddo Parish, Louisiana	0	0	0	0	0	0	0	2	13	13	Globe Grain & Milling Co.	0	0	1	2	2	2	3	3	5	16
California Baking Company	0	0	0	0	0	0	0	13	17	21	Adolf Gobel, Inc.	0	0	0	0	0	0	0	10	30	35
Calif. Central Creameries, Inc.	0	0	0	0	0	0	0	6	6	11	J. Goldsmith & Sons Co.	0	0	3	4	5	5	7	12	12	12
California Packing Corp.	0	0	0	0	0	0	0	4	7	11	B. F. Goodrich Company	4	6	9	11	12	17	19	22	25	28
California Truck Co.	0	0	0	0	0	2	3	3	4	17	Goodyear Tire & Rubber Co.	0	0	0	0	0	0	3	10	15	22
J. Calvert's Sons	0	0	0	0	0	0	0	0	0	11	Gray Construction Company	0	0	0	0	0	1	3	10	12	12
Canfield Oil Co.	0	0	0	0	0	0	0	0	0	10	Great Northern Paper Company	0	0	0	1	1	11	13	18	18	19
Canton Storage & Transfer Co.	0	0	0	0	0	0	1	7	9	11	Greenfield El. Light & Power Co.	0	3	6	9	10	11	13	13	14	14
Carolina Public Service Co.	0	0	0	0	0	0	0	7	11	11	Greenville Coca Cola Bott. Co.	0	0	0	0	0	0	2	6	6	10
Carstens Packing Co.	0	0	0	0	0	0	0	0	0	10	Gulf Refining Company	0	1	9	29	81	172	463	563	663	755
Carter Oil Co.	0	0	0	1	1	1	1	1	4	10	Halle Brothers Company	0	0	0	0	0	0	12	13	13	15
W. A. Chambers Co.	0	0	0	0	0	0	0	2	5	12	A. Hamburger & Sons, Inc.	0	0	0	0	0	0	0	0	0	25
Chapin-Sacks Corp.	0	0	0	0	0	0	0	10	21	28	James A. Hamilton	0	0	0	2	3	4	5	6	8	10
Chattanooga Chero-Cola Bot. Co.	0	0	0	0	0	0	0	1	2	12	The Hardware & Supply Co.	0	0	0	0	1	2	3	4	5	10
*Chero-Cola Bottling Companies	0	0	0	0	4	6	30	62	96	179	Fred Harvey	0	0	0	0	0	0	0	0	0	15
The Chero-Cola Co.	0	0	0	0	0	0	0	0	1	32	Haverty Furniture Company	0	0	0	0	2	6	7	12	18	18
City of Chicago	0	0	0	1	4	10	27	38	47	47	Hawaii County, T. H.	0	0	2	9	9	9	10	11	16	17
Chicago Fire Insurance Board	0	0	5	11	13	13	13	13	13	13	H. J. Heinz Company	0	0	0	0	0	0	16	19	26	35
Cincinnati Coca Cola Bott. Co.	0	0	0	0	0	0	0	1	1	16	The Higbee Company	2	4	5	6	10	10	10	12	12	16
Cincinnati Motor Terminals Co.	0	0	0	0	0	0	0	2	2	16	Hochschild, Kohn & Co.	0	1	3	5	6	8	10	9	12	15
City Ice Delivery Co.	0	1	1	3	3	3	5	8	8	11	Joseph Horne Company	5	12	15	24	33	39	42	42	42	41
Clark's Bus Line	0	0	0	0	0	0	0	11	12	12	J. L. Hudson Company	0	0	0	0	0	10	17	20	20	31
Clearing House Parcel Del. Co.	0	0	0	0	0	3	10	10	14	15	Hudson's Bay Co.	0	4	8	9	9	9	9	10	10	17
City of Cleveland	0	2	7	14	15	19	23	32	36	43	Huebner Toledo Breweries Co.	0	0	0	0	0	1	6	8	11	16
Cleveland-Akron Bag Company	6	7	9	14	15	19	21	39	45	54	E. V. Hull	0	0	0	0	0	0	2	4	11	11
Cleveland-Akron Bus Line Co.	0	0	0	0	0	0	0	0	0	10	Humble Oil & Refining Co.	0	0	0	0	0	0	0	0	0	13
Cleveland Build. Sup. & Brick Co.	0	1	3	4	7	10	14	19	51	51	Huntsville Coca Cola Bott. Co.	0	0	0	0	0	0	0	0	0	11
Cleveland Coca Cola Bott. Co.	0	0	0	0	0	0	0	0	0	21	Illinois Pub. & Printing Co.	0	0	0	0	0	0	0	0	0	14
Cleveland Electric Illum. Co.	0	0	0	0	0	6	17	23	23	40	Imperial Oil Company, Ltd.	0	1	1	1	1	1	12	42	43	58
The Cleveland Press	0	0	0	0	0	0	0	0	0	0	Indep'n't Brewing Co. of Pgh.	1	1	2	5	5	11	28	36	42	46
Cleveland Provision Company	0	1	2	3	7	7	11	13	15	29	Independent Torpedo Co.	0	0	0	0	0	0	0	1	4	16
Cleveland Transfer Company	0	0	0	0	0	0	1	19	19	20	City of Indianapolis	0	0	0	1	1	2	2	2	6	12
Cleveland & Sandusky Brew. Co.	0	0	1	1	2	3	10	15	17	24	J. S. Ivins' Son, Inc.	0	0	3	3	4	5	7	7	7	10
*Coca Cola Bottling Companies	0	3	6	11	24	34	67	108	164	204	Johnson Oil Refining Co.	0	0	0	0	0	0	1	1	1	11
The Coca Cola Co.	0	0	0	0	0	0	0	5	5	15	Jones Store Company	0	2	2	5	6	10	14	17	17	19
The Coca Cola Co. (Canada)	0	0	0	0	0	0	0	1	2	13	Kaufmann Dept. Store, Inc.	0	0	10	16	24	44	80	80	66	59
R. H. Comey Co.	0	0	0	0	0	1	4	9	9	12	Kaufmann & Baer Company	0	0	0	1	40	45	51	59	60	60
Commercial Transfer Co.	0	0	0	0	0	0	2	5	7	10	Kennicott-Patterson Transf. Co.	0	0	0	0	0	0	0	1	3	10
Con. Gas, El. Light & Power Co.	2	3	6	8	11	12	12	12	12	11	C. D. Kenny Company	0	0	0	0	0	0	12	41	45	56
Consolidated Rendering Co.	0	0	0	0	0	0	4	7	17	17	Kingan & Co.	0	0	0	0	0	0	4	6	6	13
Continental Oil Company	0	1	2	2	3	4	19	25	34	38	The Kirk Co.	0	0	0	0	0	0	0	7	7	10
Crew Levick Co.	0	0	0	0	0	0	2	4	5	25	Theodor Kundtz Company	3	7	8	9	10	11	12	13	17	17
Crystal Park Lumber Co.	0	0	0	0	0	1	3	6	6	12	LaSalle & Koch Co.	0	0	0	0	3	3	4	4	4	10
Cuban Government	0	0	0	0	0	0	0	0	0	10	J. William Lee & Son	0	0	0	0	0	0	13	13	13	13
Cudahy Packing Company	0	0	2	6	8	10	21	24	27	42	Fred T. Ley & Company	0	0	0	0	1	1	4	10	13	13
Culbertson Bros. Company	0	0	0	0	0	0	1	8	12	11	Leyte Land Transportation Co.	0	0	3	6	10	12	14	14	14	14
Dannemiller Grocery Co.	0	0	0	0	0	3	6	12	12	12	Liberty Baking Company	0	0	0	0	0	0	0	4	15	15
Dominion of Canada	0	0	0	0	43	43	43	43	43	43	Lime-Cola Bottling Co. of S. C.	0	0	0	0	0	0	3	3	3	46
E. I. DuPont de Nemours Pdr. Co.	0	0	0	0	0	0	1	16	20	20	Lit Brothers, Inc.	0	0	0	0	0	0	17	26	27	28
East Ohio Gas Company	0	0	0	1	3	5	5	10	11	11	Loose-Wiles Biscuit Company	0	0	0	0	0	2	2	2	11	21
Eastern Torpedo Company	0	0	0	1	2	7	10	15	20	25	Los Angeles Brewing Company	0	0	2	7	13	14	15	17	17	18
T. Eaton Company, Ltd.	0	5	13	14	15	15	20	20	20	25	Los Angeles Creamery Co.	0	0	0	0	0	0	0	4	6	10
Emerick Motor Bus Company	0	0	0	1	5	9	11	14	16	16	Los Angeles Ice & Cold Stor. Co.	0	0	0	0	0	0	5	10	10	11
Empire Gas & Fuel Co.	0	0	0	0	0	0	0	33	61	77	H. C. Lytton & Sons (The Hub)	0	6	7	9	10	11	11	12	12	12
Erie Service Co.	0	0	0	0	0	0	0	0	0	11	McCreery & Company	6	6	8	8	8	11	15	15	15	19
The Fairbanks Co.	0	0	0	0	0	0	0	0	0	10	G. M. McKelvey Company	0	0	1	1	6	8	18	18	18	17
Fairmont Creamery Co.	0	0	0	0	0	0	0	0	1	13	R. H. Macy & Company	0	0	0	0	0	0	15	15	15	15
Owen H. Fay Livery Company	0	0	0	23	23	23	23	24	24	24	Mandel Brothers	0	9	10	15	16	17	17	17	17	17
Fenway Garage Company	0	0	19	19	29	29	39	39	30	37	City of Manila	0	0	3	3	3	7	8	11	11	12
Firestone Tire & Rubber Co.	0	0	0	1	1	2	6	12	16	18	A. C. Marshall Company	0	0	0	0	0	0	0	15	15	18
Fly & Hobson Company	0	0	0	0	0	0	0	10	10	10	State of Massachusetts	0	1	4	4	4	5	11	11	11	11
Foster & Kleiser, Inc.	0	2	4	4	8	10	10	10	10	10	The May Company	0	0	0	4	11	15	26	26	27	40
Frank & Seder	0	0	0	1	1	1	2	2	2	19	Mesaba Transportation Co.	0	0	0	0	0	2	15	18	20	23
Harry V. Franks	0	0	0	0	0	0	6	16	16	16	Metropolitan Coal Co.	0	0	0	0	0	0	0	0	0	10
Frederick & Nelson, Inc.	0	0	0	3	7	9	10	13	18	26	Michelin Tire Company	0	1	2	3	3	9	11	11	11	14
Freedom Oil Works Company	0	0	0	0	0	0	0	0	0	17	Mid-Kansas Oil & Gas Co.	0	0	0	0	0	0	0	0	0	4
General Baking Company	0	0	0	1	1	1	10	25	43	43	Midwest Refining Co.	0	0	0	0	0	0	0	2	6	12
General Cigar Co.	0	0	0	0	0	0	0	0	1	12	Miller Rubber Co.	0	0	1	2	2	2	5	5	5	11
General Petroleum Company	0	0	0	1	0	2	4	8	15	34	H. W. Mollehuier & Brother	0	0	0	0	0	0	0	8	10	10

*Exclusive of subsidiary or affiliated companies individually listed.

Call

In Actual Service



	1910	1911	1912	1913	1914	1915	1916	1917	1918	To-day		1910	1911	1912	1913	1914	1915	1916	1917	1918	To-day
K. E. & A. K. Morgan	0	0	0	0	1	1	6	7	8	13	Standard Oil Co. of Kentucky	0	1	2	4	5	9	38	75	121	349
The Moxie Co.	0	2	4	5	5	5	5	5	7	12	Standard Oil Co. of Louisiana	0	1	1	1	1	2	5	53	91	
A. I. Namm & Son	0	0	0	1	1	2	4	6	7	34	Standard Oil Co. of Nebraska	0	0	0	0	5	11	17	17	17	18
National Casket Company	0	0	2	10	14	15	19	21	24	26	*Standard Oil Co. of New Jersey	0	0	1	1	1	1	3	30	65	65
National Refining Co.	0	0	1	1	1	1	1	1	2	25	Standard Oil Co. of New York	2	6	18	35	68	113	230	363	450	620
City of Newark	1	2	2	3	3	3	3	4	7	11	Standard Oil Co. of Ohio	0	1	1	1	10	17	28	36	42	78
Province of New Brunswick	0	0	0	0	0	0	20	20	20	19	Standard Sanitary Mfg. Co.	0	0	2	3	3	4	4	6	10	15
State of New Jersey	0	0	0	1	1	1	1	6	16	15	Stark-Tuscarawas Brewing Co.	0	0	0	1	1	2	7	12	12	12
M. A. Newmark Co.	0	0	0	0	0	0	0	8	8	10	Sterling & Welch Company	2	4	7	7	8	8	11	14	14	16
State of New York	0	0	3	3	3	5	29	37	37	38	Sterling Products Co.	0	0	0	3	6	8	8	8	9	14
City of New York	0	1	7	11	12	13	13	13	13	13	Stern Brothers	0	0	8	18	18	19	21	22	22	25
N. Y. Bd. of Fire Underwriters	0	0	2	6	8	16	20	20	20	20	Stewart & Company	1	1	2	4	6	7	8	8	8	17
New York State Railways	0	0	0	0	1	5	10	10	10	10	Stewart Taxi Service Company	0	0	0	0	0	0	18	29	43	42
Northern Ohio Trac. & Light Co.	0	0	0	0	0	0	4	5	5	10	Stone & Webster Interests	0	1	1	1	2	2	8	15	22	31
Northern Texas Traction Co.	0	0	0	0	0	0	0	9	9	10	Strawbridge & Clothier	0	0	0	2	4	4	9	15	15	15
Province of Nova Scotia	0	0	0	0	0	0	0	0	10	11	Stroehmann's Vienna Bakery	0	0	0	2	2	2	10	10	11	14
Ohio Cities Gas Co.	0	0	0	0	0	0	3	3	5	10	Sun Company	0	0	0	0	0	0	0	0	1	10
Ohio Oil Company	0	0	0	0	0	0	0	0	16	22	*Swift & Company	0	0	0	2	2	10	101	109	127	164
Omaha Taxicab Company	0	0	0	0	6	8	17	17	17	17	Swift Canadian Co.	0	0	0	1	2	2	2	6	7	11
Onondaga County, N. Y.	0	0	0	0	1	3	5	10	16	16	Tacoma Bottling Works	0	0	0	0	0	0	0	6	10	15
Oppenheim, Collins & Company	0	0	0	0	20	21	27	27	30	38	Taggart Baking Co.	0	0	0	0	0	0	0	0	0	10
M. O'Neil Co.	0	0	0	0	1	1	3	3	3	14	The Taxi Company	0	0	0	0	2	4	13	13	14	14
Pacific Baking Co.	0	0	0	0	0	0	1	5	5	15	Wm. Taylor Son & Co.	0	0	0	0	0	0	2	4	4	24
Pacific Mills	0	0	3	4	4	7	12	14	17	19	Telling-Belle Vernon Company	0	3	4	4	9	11	11	13	20	42
Page & Shaw, Inc.	0	0	1	4	8	8	8	10	10	11	Terminal Taxicab Company	0	0	20	36	61	61	61	82	82	99
Frank Parmelee Company	0	0	0	9	9	18	28	28	28	28	The Texas Company	0	0	0	0	0	9	11	11	11	64
Peninsula Rapid Transit Co.	0	0	0	0	0	7	8	15	19	28	Texas Pacific Coal & Oil Co.	0	0	0	0	0	0	0	0	0	25
State of Pennsylvania	0	0	0	0	1	2	5	15	15	16	Thompson & Smith	0	0	3	7	7	9	9	10	10	13
Petroleum Heat & Power Co.	0	0	0	0	0	0	0	0	0	11	Tide Water Oil Co.	0	0	0	0	0	0	0	3	4	27
Philadelphia Electric Company	0	0	0	0	0	13	15	18	20	20	Twin City Motor Bus Co.	0	0	0	0	0	0	0	0	19	19
Pierce Oil Corporation	0	0	0	0	0	1	1	1	23	69	Union Carbide & Carbon Co. Int's	1	1	1	2	3	6	16	18	21	20
Pike's Peak Auto Highway Co.	0	0	0	0	0	12	15	15	16	16	Union Oil Co. of California	0	0	0	1	10	22	43	156	216	393
Pilsener Brewing Co.	0	0	0	1	2	3	5	7	7	11	Union Gas & Electric Co.	0	0	0	0	0	0	0	1	1	19
City of Pittsburgh	0	2	9	14	14	15	15	15	15	15	Union Transfer Company	0	0	0	0	0	0	1	11	12	12
Pittsburgh Gage & Supply Co.	0	0	0	0	0	2	4	6	9	12	Union Wholesale Lumber Co.	0	0	0	0	0	0	0	6	6	11
H. & S. Pogue Company	0	0	0	0	0	0	2	3	12	12	United Gas Improvem't Co. Int's	0	0	0	2	8	15	41	64	64	65
Portland Sebago Ice Company	0	0	0	0	2	4	5	5	11	11	United Shoe Machinery Corp.	0	0	0	0	0	0	0	0	1	10
Powers Mercantile Co.	0	0	0	0	2	4	7	8	8	13	United States Bakery	0	0	0	0	1	2	2	11	14	20
Prairie Oil & Gas Company	0	0	0	0	0	0	0	2	26	54	U. S. Trucking Corp.	0	0	0	0	0	0	0	14	20	51
Public Service Electric Co.	0	0	0	0	0	3	7	8	8	15	United States Rubber Co.	0	0	0	1	2	5	5	9	14	16
Quaker City Cab Company	0	0	0	0	0	0	75	100	100	125	U. S. Post Office Department	0	0	0	21	27	104	132	298	445	463
Remar Company	0	0	0	0	0	0	0	0	11	13	U. S. Steel Corporation Interests	0	0	1	1	2	3	5	12	17	17
Rieck-McJunkin Dairy Co.	0	0	0	0	0	0	2	16	23	24	Updike Lumber & Coal Co.	0	0	0	0	0	0	0	3	5	12
Riverside Taxi Service Co.	0	0	0	0	5	15	15	15	15	15	Van Dyke Taxicab Co.	0	0	0	0	0	0	0	0	10	10
Rochester Gas & Electric Corp.	0	0	0	0	0	0	0	0	3	13	E. H. Vare	0	0	0	0	0	0	0	5	11	11
Rocky Mt. Parks Transp. Co.	0	0	2	2	3	3	21	23	33	56	F. G. Vogt & Sons, Inc.	0	0	0	1	2	3	5	12	14	14
L. W. Rogers Co.	0	0	0	0	0	0	0	0	0	12	John Wanamaker	0	0	0	0	0	6	27	37	37	63
Rome Coca Cola Bottling Co.	0	0	0	0	0	0	1	1	1	10	Ward Baking Company	0	0	0	0	0	12	53	76	76	78
The Rosenbaum Company	1	1	2	11	12	33	39	43	40	37	Webster Transportation Co.	0	0	0	0	0	0	0	0	0	14
Thomas J. Ryan	0	0	0	0	0	0	1	13	13	16	Raphael Weill & Company	0	0	0	0	0	10	10	12	12	20
City of St. Louis	0	0	0	0	4	6	9	10	14	16	Western Electric Company	0	0	2	4	5	5	9	15	19	24
Saks & Company	0	0	0	0	10	10	10	10	10	10	Western Meat Company	0	0	0	0	0	0	2	11	12	27
Salt Lake Transportation Co.	0	0	0	0	0	0	0	4	15	15	Western Motor Transport Co.	0	0	0	0	1	1	3	6	6	22
San Bernardino M't'n Auto Line	0	1	3	4	6	6	9	14	15	15	Westinghouse, Church, Kerr & Co.	0	0	0	0	0	0	0	6	30	30
City of San Francisco	0	0	0	1	1	1	1	3	10	14	J. G. White & Co., Inc., Interests	0	1	1	1	1	1	4	16	19	12
San Francisco Drayage Co.	0	0	0	0	1	3	10	10	10	12	R. H. White Company	0	0	0	0	0	1	4	13	13	13
Sandersville Coca Cola Bott. Co.	0	0	0	1	2	4	5	5	6	10	White Bus Line, Inc.	0	0	0	0	0	0	5	12	16	29
Sanger Brothers	0	4	6	7	7	7	7	8	8	13	White Star Auto Line	0	0	0	0	0	3	6	9	9	11
San Joaquin Light & Power Corp.	0	0	0	0	0	0	0	2	2	14	White Taxi Co.	0	0	0	0	0	0	24	24	25	43
Savage-Schofield Co.	0	0	1	4	5	5	5	6	7	10	White Taxicab Company	0	0	0	0	0	0	2	11	11	11
Schmidt & Ziegler, Ltd.	0	0	0	0	0	0	0	10	10	10	White Transit Company, Inc.	0	1	1	2	6	9	19	29	31	36
Andrew Schoch Grocery Co.	0	0	0	0	0	6	6	11	11	11	Wilson & Co.	0	0	0	0	0	0	1	1	2	22
Schulze Baking Company	1	1	9	15	17	22	23	26	31	35	Wm. Winkler (Steele-Wedeles)	0	0	0	0	0	0	0	0	0	10
Seiple & Wolf Construction Co.	0	0	0	1	2	2	10	10	10	10	Woodward & Lothrop	0	1	1	3	3	4	7	13	14	13
Shaffer Oil & Refining Co.	0	0	0	0	0	0	0	0	1	43	Geo. Worthington Company	0	0	1	2	2	2	4	8	10	15
Shell Co. of California	0	0	0	0	0	0	0	1	4	10	Yellowstone Park Transp. Co.	0	0	0	0	0	0	106	112	112	135
Franklin Simon & Company	0	0	0	3	6	10	14	14	17	18	Yosemite National Park Co.	0	0	0	1	7	7	25	27	24	25
Skinner Packing Co.	0	0	0	0	0	0	0	0	0	11	Zettelmeyer Coal Company	0	0	1	2	2	3	4	5	10	10
W. & J. Sloane	13	14	15	15	15	17	21	23	23	28	Zumstein Taxicab Company	0	0	0	2	2	6	10	20	25	25
Smith & Hicks, Inc.	0	0	0	0	0	0	3	13	13	13											
Spear & Company	0	0	1	9	13	14	15	22	23	27											
Otto Stahl, Inc.	0	0	0	0	0	0	0	0	5	13											
*Standard Gas & Elec. Co.	0	1	2	2	2	3	5	11	17	14											
Standard Oil Co. of California	1	3	4	6	7	26	67	97	111	188											
Standard Oil Co. of Indiana	1	4	5	9	59	122	168	201	214	232											

56

205

526

1073

1798

2711

5270

7637

9413

12674

THE WHITE COMPANY

*Exclusive of subsidiary or affiliated companies individually listed.

THE WHITE COMPANY

Cleveland

Making the Cars Go 'Round

An outstanding feature of our transportation situation today is the urgent need of centralized control and common ownership by the roads to make the available supply go as far as possible

By CHARLES E. LEE

IHOLD no brief for any interests affected by car service. The few facts I shall present, and the conclusions I draw from them, are made from a rather careful study of the statistical information furnished by the Interstate Commerce Commission, and from observation of methods used in the control of available freight cars from 1916 to 1919, inclusive. From this study the following conclusions are reached:

1. That there is a necessity for a centralized control of supervision of the movement of freight cars.
2. That it may be ultimately desirable to have all freight cars not only used, but owned and maintained in common.
3. That the intelligent, unselfish cooperation of the shipper, with some central authority, is necessary to secure economical and efficient service from freight cars.
4. That it may be advisable for the various business interests to establish a central body to study methods for improving the handling of freight cars, to anticipate the necessities of shippers, and to present to the proper authorities in a comprehensive manner any information or suggestion that may help to bring about greater efficiency.
5. That the enactment of inelastic laws and the use of coercive methods to force the construction, or require the more efficient handling of freight cars, will inevitably fail to provide the necessary capital for the construction of the cars, of brains for their control.

What Unselfishness Accomplished

DURING the year 1917, to meet the emergency created by the World War, the shippers of the country worked unselfishly, patriotically and whole-heartedly with a central organization established by the railroads, joined in a campaign and originated or adopted plans to secure a maximum of service from the available car supply. The result was an increase in 1917, of 32,021,003,264 tons of revenue freight carried one mile, with only 48,836 more revenue freight carrying cars than were owned the previous year; and it is interesting to learn that this result was accomplished by the shippers loading an average of only 1.9 tons more freight into each car that they were furnished, and the railroads, increasing the average mileage made by each car, loaded 10.1 miles.

If this effort had not been made and the car efficiency had remained the same as in 1916, it would have been necessary, in order to handle this increased business, to construct 150,349 new cars at an estimated cost of more than \$420,000,000, and in addition, it would have cost \$45,000,000 a year for interest, repairs, renewals and depreciation of these cars.

During the year 1918, with a continuation of the assistance of the shippers and the centralized control of freight cars, 37,934,887,077 more tons of revenue freight were moved one mile than in 1916. This traffic was handled with an increase in car ownership over 1916 of only 53,197 cars. This satisfactory result was secured by shippers increasing the average loading per car 3.8 tons, and by the railroads increasing the

"Got It. Can't Ship It."

GET the mills on the wire," stormed the newspaper publisher; "if they don't deliver that paper we won't be on the street next week!"

"Fill your order?" came the voice from New England, "of course I can. The rolls are stacked in my warehouse now. If you can get the cars I'll let you have all you need."

Which wasn't the first time that a plant hard-pressed for necessary supplies ran plump into the car shortage.

We can't create more cars out of thin air, but there are things that can and have been done, the results of which read almost like magic. They worked wonders during the war, through proper loading and scientific allocation.

Mr. Lee tells here what might be done to help matters. And he ought to know what he is talking about. He is the transportation manager of Ford, Bacon and Davis, New York contractors. For many years he was with the Boston and Maine Railroad. He is also a member of the Railroad Committee of the Chamber of Commerce of the United States. Recently he has been working with the Car Service Commission of the American Railway Association to help them meet the difficulties he here discusses.

THE EDITOR.

average mileage made by each car loaded 17.2 miles.

To have moved the originating tonnage of 1918, with no greater car efficiency than during 1916, would have required an increase of 165,799 in the number of cars owned, which would have cost over \$465,000,000. This would have entailed an interest, maintenance, depreciation and renewal expense of approximately \$48,000,000 that would, under existing laws, have been an unnecessary burden on the business of the country.

Probably no year has ever presented more perplexing problems in railroad operation than 1919, with its unprecedented fluctuations in the demand for car service.

For the first six months there was a slump in business. The surpluses of freight cars in February amounted to over 450,000 cars. This changed to a shortage of 59,510 cars in October.

Statistics showing the revenue ton-miles, originating tonnage and other necessary information for comparison with 1916, are not available at this time. However, it

can be safely estimated that it would have required over 90,000 more cars than were owned to move the tonnage that was transported during 1919, on the same basis of car efficiency as in 1916.

The advantages to the shippers, resulting from the common use of freight cars are great, especially the economy of operation by the saving of light mileage and by the reduction of switching expense; and it is doubtful if shippers will again see, if they ever have seen, the necessity of restricting their loading to cars bearing certain initials when other cars are available.

It is unreasonable and unfair to expect the road whose officials' good judgment have secured for it an adequate supply of cars to meet the requirements of its business to share their use with less provident roads. However, it is certainly an economic waste to have idle cars in the country when there is freight awaiting transportation, or for cars to move empty when there are loads for them, so it would seem that an equitable solution of this problem might be the joint ownership of all cars.

The Neglected Wanderer

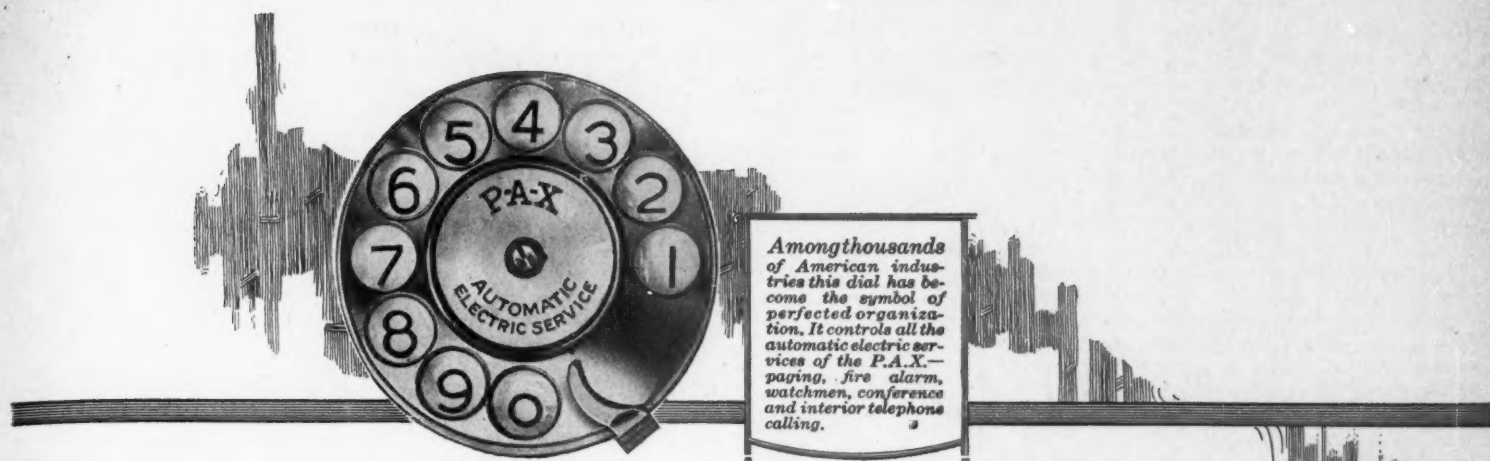
IF all cars were of a design that would meet the requirements of the shippers on each individual road, it would make no difference to any road if its own cars were never returned to their lines, provided they got an equal number of cars owned by other roads, but with this one exception—under present methods the car away from home does not receive the same attention as to repairs and improvement as it does while on its owners' line.

If all car repair facilities were owned jointly by all roads and maintenance directed by a central authority, this difficulty might be overcome.

In the latter part of 1916 there was an acute car shortage. At that time, and prior thereto, there was no established central authority for the control of freight cars owned by the many railroads.

They were operated on what may be called a strictly ownership basis, which was first and foremost a recognition of the fact that the car was the private and undisputed property of the road whose initials it bore. Rules were promulgated with this one thought ever in the foreground. From time to time some of these rules were enforced—punitive rules, high per diem rates and even fines for misuse of cars by foreign roads, or roads using the cars of other roads which they did not own—but, like "signs in dry times," all failed to attain their object, *i.e.*, the return of the cars to owners' lines when there was a general shortage of cars.

Following the acute car shortage in 1916 the American Railroad Association established a Commission on Car Service, composed of expert transportation men, with plenary powers to control the freight cars owned by all of the railroads, and to get from them the most efficient service in moving the enormous volume of freight due to the World War.



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The personnel and functions of this Commission were taken over by the Railroad Administration as soon as it was established, and made a Section of the Division of Operation; and it might be said in passing that it was fortunate that the Administration had at hand an established body of trained men to whom it could turn over so important a factor in railroad operation as freight car control.

Thus we have had centralized supervision of freight cars since 1916. Under this plan of control, and with the cooperation of the shippers, the results as compared with those secured in 1916, prior to this arrangement, are worth most careful consideration as it seems to be a reasonable conclusion that results, once secured, can at least be equalled, if not improved, by a continuation of the same general policy.

Figures Supporting the Facts

STATISTICS are generally uninteresting and averages and comparisons are often unsatisfactory. Nevertheless, it seems necessary to lay before you a few figures in order to illustrate certain points and support certain claims that I have made in this paper.

For the year ending June 30, 1915, the total revenue freight tonnage originating on Class-I Railroads, as compiled by the Interstate Commerce Commission, was 923,428,445 tons. The number of freight cars owned and used in moving this tonnage was 2,258,855. For the calendar year of 1916, the revenue freight tonnage originating on these same roads increased a little over 30 per cent and the freight cars owned decreased 5,744 cars.

We find that in 1916 there originated on Class-I railroads 1,202,000,067 tons of revenue freight, and the number of tons handled one mile was 362,444,397,129. There were owned 2,253,111 cars used in revenue freight service.

Each car carried a total of 533.5 tons originating freight during the year. 15.6 cars were owned for each car loaded, or, in other words, it took an average of 15.6 days from the time each car was loaded until it was again under way with a new load. There was an average of 144,437 cars used every day and each car was loaded an average of 23.4 times during the year.

In 1916 each car was loaded with an average of 22.8 tons. With the aid of the shipper this average was materially increased in 1917, and again in 1918.

All cars owned moved a total of 22,639,336,927 miles, of which they moved loaded 15,879,370,770 miles, or approximately 70 per cent of the total freight car mileage.

Every freight car owned in the revenue freight service carried 440.7 tons one mile every day in the year, Sundays and holidays included. This represents the all inclusive factor of car efficiency.

In 1917 there were 1,264,015,725 tons of freight originating on these same railroads, and the number of tons carried one mile was 394,465,400,493, an increase over 1916 of 8.8 per cent.

The number of freight cars owned by the same carriers increased 48,838 or 2.1 per cent. Each car carried a total of 549.1 tons, an increase of 2.9 per cent and 140,204 cars were used daily to move this increased tonnage, a daily decrease of 4,233 cars, or 3 per cent.

We find that each car was loaded with 34.7 tons, an increase of 8.3 per cent. Altogether making the number of tons carried one mile by each car daily 469.5 tons, an increase of 6.5 per cent in car efficiency.

In the calendar year 1918, there originated on these same roads 1,263,868,245 tons of revenue freight and the number of tons carried one mile was 400,379,284,206, an increase over 1916 of 10.5 per cent.

There were owned 2,323,362 cars used in revenue service by these same carriers, an increase of 3.1 per cent. Each car carried a total of 548.0 tons, an increase of 2.7 per cent. 130,112 cars were used daily to move this business, a decrease of 14,325 cars daily. Each car loaded had 26.6 tons to move, an increase of 3.8 tons, or 17.6 per cent. We find the all inclusive factor of car efficiency the number of tons carried one mile by each car to have increased 7.1 per cent.

The freight car is a large factor in the expense of railroad operation, and there is no more perplexing problem than its efficient control in order to secure from it a maximum of service.

Individually the freight car is insignificant, but collectively it looms large in the economic problems to be met. The combined value of all of the freight cars owned by the railroads is more than one-third of the total value of all railroad property devoted to transportation.

It would cost something more than \$6,500,000,000 to replace the freight cars now owned by the Class-I roads in the United States. I think you must agree that the lowly freight car is entitled to much more respect than is usually shown it.

There is no other item in railroad operating expenses, that can be so greatly reduced by cooperation between the shippers and the railroads, as the handling of this most important unit; and if the shippers and the railroads will work earnestly and harmoniously

together, the number of tons carried one mile every day can be substantially increased.

At no time in our history have the shippers been more vitally interested, not only in the efficient, but in the economical operation of all railroads.

Under the Transportation Act now in force the rates that a shipper must pay depends upon the cost of operation of all of the railroads in the entire section in which his industry is located. The uneconomical operation of any railroad in that section may adversely affect his freight rates, even if his goods do not pass over that road, and even if all of the roads over which his goods do move, including the one on which his plant is located, are efficiently and economically operated.

The shipper has a new burden of responsibility which he cannot entirely escape, except at an increased cost of transportation. He is, as never before, directly interested in the transportation problem as a whole, and this problem cannot be satisfactorily solved in a narrow or selfish way. The public is too vitally interested in securing adequate transportation facilities to be satisfied with any solution other than that which provides a national transportation system in which all methods of transportation are so coordinated as to be used to the fullest practicable extent.

Additional freight cars must and will be built, railroad terminals must and will be enlarged, more motive power must and will be provided, but as the pendulum swings we must guard against an expansion of facilities beyond our economic needs. In the meantime, it will be wise to get our heads out of the clouds, and without forgetting our ultimate transportation needs, manifest the same spirit that won the war by utilizing to the greatest possible extent what we have immediately available.

Where Rubber Was King

PARA rubber has long been a synonym for the best. But at present it looks as if the Brazilian city were losing its preeminence in this respect. Lately, Brazil produced nearly half the world's rubber output; now that proportion has fallen to one-ninth. The East Indian plantations have advanced into the field as rivals. This new competition has not been met.

Slovenly marketing and poor packing of Para rubber are responsible for some of the falling off of its consumption. The Brazilian producer needs to become energetically aware of the changed conditions.





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And that will give you a pretty good line on ours!

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The Log of Organized Business

TO PROVIDE machinery for an intensive study of problems of industrial production, a new department has been created by the National Chamber of Commerce with E. W. McCullough, of Chicago, as manager. This is the fourth department organized within the past year, the other three being foreign commerce, insurance, and civic development. The reorganization of the National Chamber's machinery will not be complete until there are also created three other departments, domestic distribution, transportation and communication and finance.

The latest department has been designated as the Industrial Department, and it will aid manufacturers, mining men and perhaps even farmers, if agricultural interests some day should desire to federate with organized business.

Mr. McCullough has spent all his business life in manufacturing institutions or with organizations representing them. Practical experience was gained during his earlier years with small manufacturers in handling in detail, materials, costs, sales, credits, collections and department management.

In 1904 he was asked to reorganize the National Wagon Manufacturers' Association, comprising practically all of the farm wagon makers of the country. The work was accomplished under his direction by turning the trend of the organization's activities into more practical channels, *i. e.*, study of production costs, standardizations, elimination of unnecessary material, variety of production and establishing of uniform grading and inspection rules for poor materials. Six years later it was determined to consolidate the several national associations, representing farm equipment lines, such as plows and tillage implements, wagons, seeding machinery, and Mr. McCullough was chosen secretary and general manager.

For the past nine years the affairs of the organization have been under his direction. During the war this organization rendered efficient service to the government. Early in our preparations it mobilized the manufacturers of horse-drawn vehicles and enabled the War Department to place immediately their specifications and secure supplies of these vehicles in an incredibly short time. Further confidence was expressed through the creation, under the direction of the War Industries Board, of a committee from the association representing all the farm equipment industries in administering priorities of materials for the production of food producing machinery. It was also one of the first organizations to respond to the demand of the Conservation Division for the reduction of unnecessary variety of product.

A Close Finish

THE Toledo Commerce Club Membership campaign ended successfully in a hot contest for first honors between two teams. There were only five points difference in the score of the contenders. The honors went to Eugene Dautell, of the Toledo-Cadillac Company, and Dan H. Kelley, of the Willys-Light Division of the Electric Auto Light Company. These two men, working together, enrolled twenty-seven members, scoring 109 points. Second honors went to C. W. Yontz and H. H. Withers, who turned in

In spite of fogs and squalls, the good ship forges right along, thank you, and there are events aloft and below that are eminently worthy to be recorded

twenty-six members and scored 104 points. The third contending team was composed of Clifford Ackerman and Rome G. Burnor, who enrolled seventeen new members to the Commerce Club.

To Exchange Students

A NEW plan initiated by the San Francisco Chamber of Commerce to link commerce and education has been adopted by the faculty of the University of California, who agreed to an exchange of students with Latin-American universities. The plan, which is expected to be followed by other Chambers of Commerce and universities, should prove a distinct stimulus to trade relations between the United States and her neighbors in Central and South America.

Bringing the Young Men In

THE New Orleans Association of Commerce reports that the plural membership plan, which it adopted in 1917, has proven highly beneficial and helpful to development of the Association. Under this scheme corporations, firms and individuals are asked to subscribe for a number of memberships with dues at \$25 per annum and assign these memberships to men in their employ or in whom they are interested. Full voting power and full membership rights go with the assignment.

New Hotel Bureau

THE Chicago Association of Commerce has established a Hotel Information Bureau. At present there are about 100,000 transients in Chicago each night, and it will be the aim of the new bureau to help the hotel men to get the guest and room together with the minimum of delay. Each day the hotels will furnish the bureau with a list of their available rooms, and also will refer surplus applicants to the bureau.

Birmingham Spreading Out

THE Birmingham Chamber of Commerce is fostering a movement to bring other Alabama towns in closer touch with Birmingham. A circular letter has been sent out to the members of the Chamber of Commerce requesting them to furnish the names of any present resident of Birmingham who formerly lived in other parts of the state. These newcomers to Birmingham will be invited to meet and discuss ways and means to bring about a better understanding between Birmingham and other sections of the state.

Business and Music

TOLEDO is to have a symphony orchestra as a result of the efforts of the Commerce Club of that city. The orchestra is to consist of sixty musicians, every one a Toledoan. All of the concerts will be at popular prices, and the whole movement from

its conception has been designed to give Toledo the world's best music at prices within the reach of the entire community.

Community Music

ORGANIZATION of a Committee on Community Music is the plan of the Kansas City Chamber of Commerce for obtaining better musical entertainments for the city. The committee will promote music of all kinds, working through the institutions of the city. Members of the committee are men interested in musical affairs.

Brooklyn Shows Big Gain

DURING the past year the Brooklyn Chamber of Commerce has added 1,300 names to its roll, bringing the membership to a total of approximately 3,000. Recently, the Brooklyn Chamber added to its staff Grant E. Scott, who will devote his time entirely to the membership work of the organization. Mr. Scott's goal for 1920 will be a total of 4,000 members.

Foreign Trade Talks

ASERIES of conferences to discuss foreign trade problems will be held this year by the Louisville Board of Trade. It is proposed to discuss such problems as methods of promoting foreign trade, financing foreign shipments, conditions of sale and payments, foreign credits and credit information, ocean rates, routes and regulation, foreign advertising, foreign exchange, marine insurance and the other phases that enter into this interesting subject.

New Way to Get Members

THE Whittier, California, Chamber of Commerce has adopted a novel plan for the solicitation of members, which involves the appointment of a new committee on membership each month. Ten members will serve on the membership committee, and it will be the duty of each committeeman in accepting such appointment to bring ten new members into the Chamber.

To Fight Radicalism

THE Board of Directors of the New Orleans Association of Commerce have forwarded to Governor Pleasant and Governor-elect Parker, of Louisiana, a resolution, part of which reads:

"It is the opinion of our board that all men and women who have the welfare of our state sincerely at heart, in the common interest of all, should vigorously oppose experimental and radical legislation, at least until the reconstruction period shall have so far progressed as to permit of clear analysis of the state's needs and clear thinking among its people."

Another Housing Plan

A COMMUNITY Housing Corporation, capitalized at \$250,000, was recently formed by the Greater Wilkes-Barre Chamber of Commerce. The merchants and manufacturers of Wilkes-Barre subscribed to \$125,000, and the balance was taken by the banks as first mortgage. The fifty homes, which are to be built according to modern plans, will be erected upon a 7-acre plot of land. An interesting fact of the campaign



How Do You Reach *Your* Workers?

We are *viewpoint specialists* — we reach your worker, learn what's the matter, and correct it. We make him *think right* of you, of his job, and of the country.

Whiting Williams, Vice-President of the Hydraulic Pressed Steel Company, of Cleveland, is quoted as recently stating, after working *incog* among workers for seven months:

"The agitator is talking in one ear the things the worker is interested in, in terms of his daily job. Are we saying the things we should say to the worker in the other ear, or are we waiting for him to learn English, or in the meantime blaming him and the agitator? The job for us is to get more into that other ear, in terms of things the worker understands, and to make him understand, so far as possible, that we have set our industrial house in order to give to the young, opportunity; and to the old, security."

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waged to raise the fund was that no business man to whom stock was sold was assured he would make any money on his investment. It was even suggested that he might lose some, but that it was his duty to the community to subscribe for stock; that in the end new homes and new families would make him the chief benefactor in increased business.

Helping to Get Second Mortgages

THE Harrisburg, Pennsylvania, Chamber of Commerce has organized a corporation capitalized at \$50,000 which will help persons with small savings to acquire the amount necessary to bridge the gap between the amount they can borrow on a first mortgage loan and the amount they have on hand. The object is the purchase of new homes to be built this year and the stimulation of building generally.

Industrial Engineer

THE Albany, New York, Chamber of Commerce has recommended to the mayor and city authorities the employment of an industrial engineer to make a scientific study of various sections of the city most suitable for industrial development. This action was taken after the Industrial Committee had reported that in order to carry on future industrial and commercial expansion, it would be necessary to have additional railroad side track facilities.

Housing Corporation

A DEFINITE plan has been worked out by the Hartford, Connecticut, Chamber of Commerce for the formation of a housing corporation with a capital of not less than \$1,000,000 nor more than \$2,000,000. The corporation will follow two distinct lines in providing housing accommodations: By assisting employees in building one-, two- or three-family houses on their own account and in accordance with their own plans; by building two-family houses on separated lots in various parts of the city and selling them when completed to employees.

More Homes for Mason City

IN A REPORT submitted to the Chamber of Commerce of Mason City, Iowa, the Housing Committee recommended that a building corporation be formed with a capital stock of \$100,000 for the purpose of erecting about sixty homes during the next year.

Beloit's Plan

THE Chamber of Commerce of Beloit, Wis., has joined the constantly increasing number of commercial organizations tackling the housing situation. It has arranged to build one hundred homes for workers at a cost of \$400,000. Three-fourths of the fund will be supplied by business concerns, whose workers have been unable to find living accommodations. The houses will be sold on easy terms to the workers.

"Know Your Own State"

DO YOU know the population of your own state? This question was asked of 150 up-to-the-minute business men from all over the United States when they were in New York recently, and only eighty-three of them could approximate the figures. Lack of information on this subject inspired the Texas Chamber of Commerce to inaugurate a "Know Your Own State" campaign, using the newspaper advertisements of big department stores as the medium. Terse facts about Texas are being prepared by the research department of the Chamber and are sent out monthly to the

advertising managers of the department stores in the larger cities of Texas. These facts are headed "Do You Know?" and are inserted in the stores' advertisements.

Atlanta City Planning

THERE has been created in Atlanta, Georgia, a City Planning Commission composed of twenty-four members, eight named by the Chamber of Commerce, eight by the mayor, representing the city, and eight by the Board of County Commissioners. It is the duty of this commission to prepare a program of expansion and improvement for the city and to suggest tangible projects for solving the problems which now confront the city.

Kansas City Directory

A TRADE directory of Kansas City, Missouri, has been compiled by the Chamber of Commerce of that city. It contains a complete list of the manufacturers of Kansas City, arranged alphabetically with their addresses and articles which they manufacture. Thirty thousand five hundred copies were printed and distributed.

Milk Exchange

THROUGH the joint efforts of the Chamber of Commerce of Pittsfield, Massachusetts, and the Berkshire County Farm Bureau, there has been organized the Pittsfield Cooperative Milk Exchange, capitalized at \$150,000, with two objects in view—to supply Pittsfield with high-grade milk, and to encourage dairying in Berkshire County.

Philly Chamber Growing

WITH the addition of two prominent women's organizations, there are now affiliated with the Philadelphia Chamber of Commerce thirty-two local organizations and societies. The two latest organizations to join the Chamber are the Century Club and the Civic Club.

Industrial Maps

EXTENSIVE work is being done by the Chamber of Commerce of Cincinnati in the preparation of a series of maps which is designed to show the size, ownership and occupancy of every worth while piece of industrial property located on all railroads within the switching limits of that city.

Agricultural Bureau

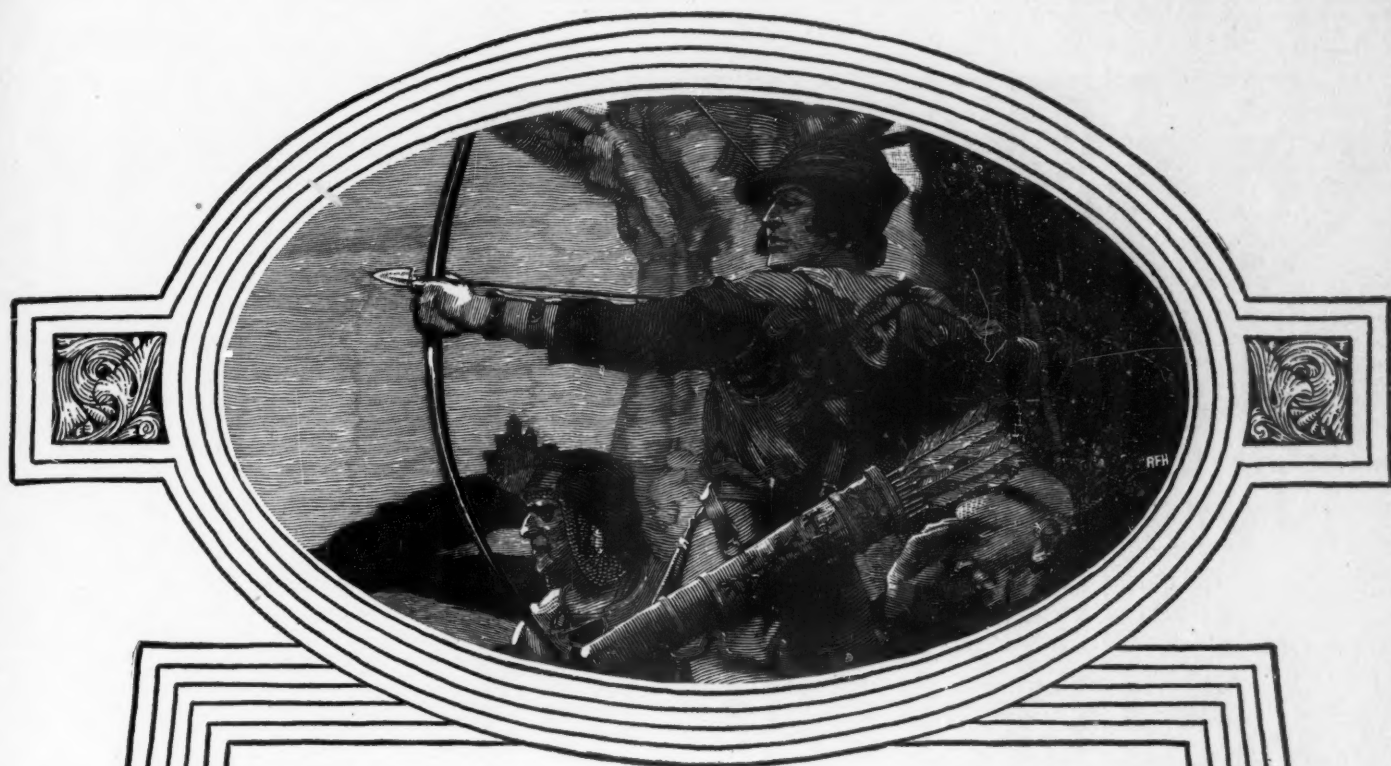
THE OMAHA Chamber of Commerce has established a new agricultural bureau. The policy of the bureau will be to bring about closer relations between the business interests of Omaha and the agricultural interests of Nebraska. W. D. Hosford, of the John Deere Plow Company, is the chairman of the new bureau, and M. T. F. Sturgess, vice-chairman. The manager of the bureau is H. F. McIntosh.

Bringing Business In

PAVING the streets, financing a creamery, and the erection of a \$20,000 plant for curing sweet potatoes are among the immediate plans of the hustling Chamber of Commerce, at Margum, Oklahoma. Secretary W. F. Hearne says that these projects will "go over." Already \$10,000 has been raised for the potato curing plant.

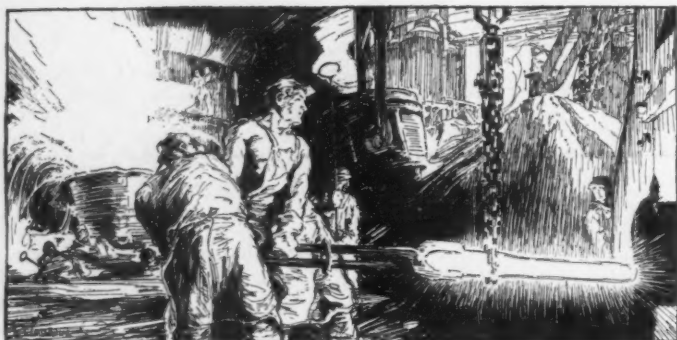
Homes for Factories Too

A PROJECT to launch a \$250,000 Housing Corporation for the purchase of realty and buildings, and the sale and renting of not only homes but of factory buildings and warehouses, has been undertaken by the Macon Chamber of Commerce. The Chamber has



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Forging for Progress

FROM the mines and mills of the Middle West come the metals and machinery which are used in doing much of the world's work. Out of the Northwest, from the mines of the iron ranges of Michigan and Minnesota flows an endless current of ore to the steel mills of the Chicago District. Here where titanic accomplishment is the common measure of the day's work, metal—more useful than gold—is transformed in great quantities to fit the needs of man and thence transported to the uttermost parts of the earth.

IN the financing of the production and distribution of the natural resources of the Middle West the foreign and domestic banking facilities of the Continental & Commercial Banks, located in Chicago—the Capital of the Mid-Western Empire—have contributed service fully commensurate with the vast importance of the interests involved.

The CONTINENTAL *and* COMMERCIAL BANKS CHICAGO

INVESTED CAPITAL MORE THAN 50 MILLION DOLLARS
RESOURCES MORE THAN 500 MILLION DOLLARS

been assured by the real estate men of Macon of their hearty support in its effort to relieve the housing congestion.

Denver Building Industry

THE NEED for stabilization of the building industry in Denver, as a matter of community welfare, and the important relations thereto of increasing wages are emphasized in a report submitted to the Denver Civic and Commercial Association. Statistics are cited showing that the wages paid in Denver are higher than the average in ten leading cities of the country, and that the cost of living is lower on the average.

Poor Postal Service

SO UNSATISFACTORY has become the postal service between New York and Hartford that the Hartford Chamber of Commerce has made formal protest to the Post Office Department, at Washington. For a long time the Hartford Chamber has been cooperating with the Merchants' Association of New York to the extent of checking up on letters mailed in New York in the evening and due to reach Hartford the next morning for delivery. According to the complaint made to the federal authorities, several registered letters were mailed recently from Hartford on a Friday afternoon and none were received in New York until the following Monday.

A Real Chamber of Commerce

THE *Adrian*, published by the Chamber of Commerce, of Adrian, Michigan, which calls itself the "Wire Fence City of the World," has something to say on the subject of "a real Chamber of Commerce."

"A Chamber of Commerce is not a charitable institution and should not be in a position where it could be looked upon in such a light. It should be a positive force, powerful in its influence in the community, asking alms of no one, but rendering value received to all in service.

"Its government should be such as to preclude any possible criticism of being dominated by a faction or clique. The work of the organization must be such that the member is impressed with the fact that he is a part of the Chamber and that in paying his membership fee he is not giving money to some one else, but is giving it to himself, investing it for the improvement of the community for the sole reason that his business may prosper."

Take This Pledge

THE HAGERSTOWN, Maryland, Chamber of Commerce recommends this pledge to cure the chronic fault-finder:

"I will not criticise the Hagerstown Chamber of Commerce for failure to accomplish results, unless I have:

"Paid my dues.

"Suggested to it the things I believe should be done.

"Attended its meetings.

"Done all in my power to help bring these things to pass."

Wants Quicker Delivery

THE RETAIL merchants of the south, acting through the Retail Merchants' Bureau of the New Orleans Association of Commerce, have asked the cooperation of the United Waist League of America in a move to hasten express shipments of merchandise purchased in New York by the retailers of the south. In its letter the Association of Commerce states very pointedly that it is to the interests of the manufacturers of New



You Pay For a Job Time Recorder Whether You Use One or Not

Dependable Cost Systems can be obtained only through Accurate Job Time Records. It is vitally important to know to the minute how much time is spent on each job. Without interruption of your present cost system

INTERNATIONAL JOB TIME RECORDERS

furnish a mechanically printed record of the amount of time spent by each employee on each job or operation.

Such a record reveals in detail lost time and helps increase production.

Used conjointly with INTERNATIONAL TIME RECORDERS, which provide a record of the time when each employee arrives and

leaves, INTERNATIONAL JOB TIME RECORDERS complete the time records of the entire organization. This simplifies the work of cost and time keeping, insures accurate payrolls and promotes harmony.

EMPLOYEE NO. 1450		ORDER NO. 16980	
PART NO. 1786	OPERATION 12	FINISHED NOV 21 4.7	
PIECES GOOD 54		STARTED NOV 21 1.2	
HOURS 3.5	RATE .55	AMOUNT \$1.93	
SIGNED J.B.M.			

NO. 42	NAME Charles Williams	DEPT. NO. 3
DESCRIPTION OF WORK		
Face Ends		
Bevel Sides		
Groove		
Filing		
APPROVED H.B.		

TIME RECORD	NO.	NAME	DEPT. NO.
8 1919 NOV 21	8	Charles Williams	3
7 1919 NOV 21	7		
6 1919 NOV 21	6		
5 1919 NOV 21	5		
4 1919 NOV 21	4		
3 1919 NOV 21	3		
2 1919 NOV 21	2		
1 1919 NOV 21	1		
0 1919 NOV 21	0		

International Time Recording Company

GENERAL OFFICES: 50 Broad Street, New York.

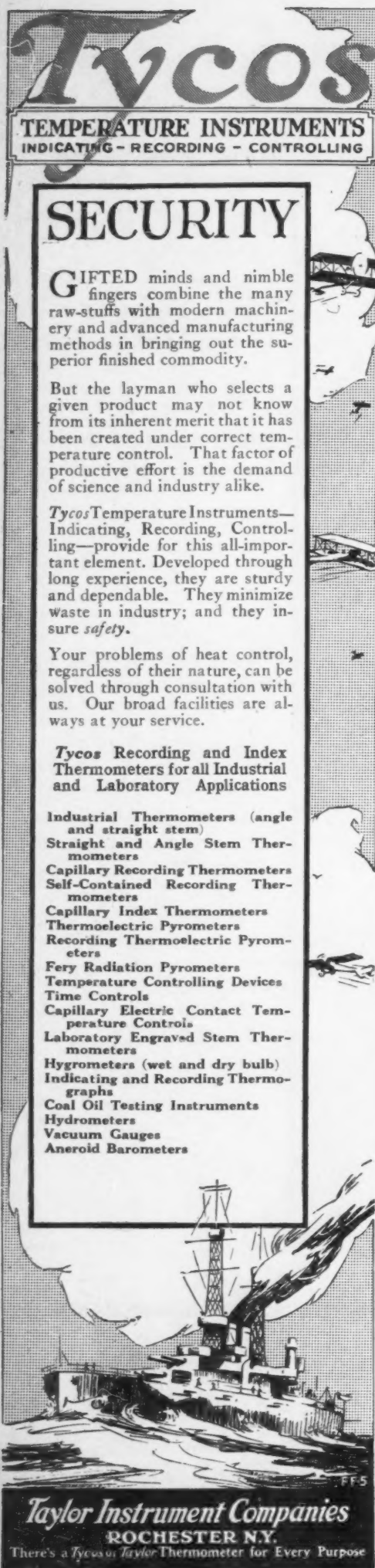
WORKS: Endicott, N. Y., Toronto, Can.

Canadian Office:
International Business Machine Co., Ltd.
300 Campbell Avenue, Toronto

London Office:
57 City Road
Finsbury, London, E.C., England

Paris Office:
75 Avenue de la Republique
Paris, France

Offices and Service Stations in All Principal Cities of the World



Tycos
TEMPERATURE INSTRUMENTS
INDICATING - RECORDING - CONTROLLING

SECURITY

GIFTED minds and nimble fingers combine the many raw-stuffs with modern machinery and advanced manufacturing methods in bringing out the superior finished commodity.

But the layman who selects a given product may not know from its inherent merit that it has been created under correct temperature control. That factor of productive effort is the demand of science and industry alike.

Tycos Temperature Instruments—Indicating, Recording, Controlling—provide for this all-important element. Developed through long experience, they are sturdy and dependable. They minimize waste in industry; and they insure safety.

Your problems of heat control, regardless of their nature, can be solved through consultation with us. Our broad facilities are always at your service.

Tycos Recording and Index Thermometers for all Industrial and Laboratory Applications

- Industrial Thermometers (angle and straight stem)
- Straight and Angle Stem Thermometers
- Capillary Recording Thermometers
- Self-Contained Recording Thermometers
- Capillary Index Thermometers
- Thermoelectric Pyrometers
- Recording Thermoelectric Pyrometers
- Fery Radiation Pyrometers
- Temperature Controlling Devices
- Time Controls
- Capillary Electric Contact Temperature Controls
- Laboratory Engraved Stem Thermometers
- Hygrometers (wet and dry bulb)
- Indicating and Recording Thermographs
- Coal Oil Testing Instruments
- Hydrometers
- Vacuum Gauges
- Aneroid Barometers

Taylor Instrument Companies
ROCHESTER, N.Y.
There's a Tycos Taylor Thermometer for Every Purpose

York City to see that the retail merchants are served promptly and that the delays of the express companies must be remedied by that organization rather than excuses furnished.

Consolidate with Chamber

THE Chamber of Commerce and the Commercial Club, of Waterloo, Iowa, have consolidated into the Greater Waterloo Association. The five hundred members of the two organizations were unanimous for the amalgamation of the two organizations.

Bus Terminal Plan a Success

MORE than a year ago the Poughkeepsie, New York, Chamber of Commerce established a bus terminal station with the idea of centralizing all the bus businesses at one place in the heart of the city. Suitable headquarters were secured, and bins were installed, every merchant could deliver bundles for the driver covering a special section; time tables were printed; an attendant placed in charge; a telephone installed. The plan has been a decided success.

Candidates Questioned

THE ST. PAUL Association recently sent a letter and questionnaire to all candidates for nomination for mayor, city council and comptroller of that city. In the letter to each candidate was told that numerous inquiries has been received concerning experience and qualifications of candidates for the coming primary elections, and that the questionnaire was for the purpose of enabling the Association to give in reply information that was fair, accurate and complete, yet in no way altering the Association's firmly established policy of neither endorsing nor condemning political candidates. The information obtained from the questionnaires was summarized and given to the newspapers for publication prior to the election.

Omaha Tells Her Virtues

THE 1920 series of national ads issued by the Bureau of Publicity of Omaha, Neb., over the name of the Chamber of Commerce of that place, has begun by the publication of the first ad in the *Independent*. This will be followed from time to time with ads in *The Nation's Business*, *Life*, *Saturday Evening Post*, *American Magazine* and other publications. The illustration will be a black map of the United States with a white oval hole outlining the Omaha trade territory. The theme will be, "Is there a hole in your sales map?" The ads are intended to reach executives of national corporations, but also have a general publicity appeal.

The Best Garbage Plan?

THE Toledo Commerce Club has gathered some interesting data, relating to the disposition of municipal garbage and the cost of having it collected. A letter of inquiry was sent to the mayors of forty cities having a population between 100,000 and 500,000 for information as to what it costs per ton to collect and dispose of garbage and other city refuse; also the method of disposal. In reply, fifteen cities reported that they are feeding their garbage to hogs, thus turning garbage into pork; ten are using reduction methods; six are cremating their garbage and two others are dumping dry garbage after private scavengers have collected certain portions of it for

hog feed. Some cities reported that they found the reduction system for grease and fertilizer content the most economical and satisfactory, while other cities favored the hog-feeding plan. The cost of each system varied in the different cities considerably.

Educating Aliens

THE Americanization Committee of the War Civics Committee of East St. Louis, Ill., has done excellent work in providing school facilities for the foreign-born of that city. The committee had three thousand letters sent out by the federal government, at Washington, inviting the foreign-born to attend classes. The East St. Louis Boy Scouts distributed 2,500 personal invitations to the homes of the foreign-born. The average attendance at the schools per night has been about 350. Night schools for negroes have also been opened, and there are 100 enrolled.

"Selling" San Francisco

THE Chamber of Commerce of San Francisco is urging the merchants and manufacturers of that city to make their out-of-town advertising "sell" San Francisco. The Chamber calls attention to the example of one San Francisco firm who had faith enough in the idea to devote 60 per cent of its advertising space to the work of "selling" the city. A group of San Francisco merchants like the scheme so well that they are buying advertising space in Central American newspapers for the purpose of "selling" San Francisco as the leading coffee-trading center of the United States.

Competing with Chain Stores

FREDERICK P. MANN, president of the North Dakota Retail Merchants' Association, says that the only salvation for small retailers in the United States in competing with chain stores is cooperation with their jobbers and manufacturers and the adoption of modern business methods.

New National Officers

THE new officers of the National Association of Civic Secretaries are as follows: President, William P. Lovett, secretary of the Citizens' League, Detroit; secretary, Francis T. Hayes, civic secretary, City Club, Cleveland; treasurer, Miss H. Marie Dermitt, Civic Club, Pittsburgh, Pa.

Friends of Daylight Saving

A POLL taken among the employees of the various retail, wholesale, manufacturing and office establishments in Minneapolis by the Civic and Commerce Association, of that city, clearly showed a large majority in favor of daylight saving. The actual vote was 35,249 in favor of the plan, and 27,741 opposed to it.

To Harness the St. Lawrence

IT is expected that the Joint International Commission, composed of representatives of the United States and the Canadian Government will soon hold hearings on the St. Lawrence River improvement project. This problem will be considered in four phases: Engineering, finance, administration and economic effects. The engineers will report on the possible alternatives of side canals or locks and dams and will show how either method fits in with power development.



There's no two ways about it!

No better cigarette can
be made than Camels!

GET the idea at once that Camels and their refreshing flavor are unlike any cigarette you ever smoked—that's why men call Camels a cigarette revelation!

You should know why Camels are so unusual, so delightful, so satisfying. *First*, quality, *second*, Camels expert blend of choice Turkish and choice Domestic tobaccos, and you'll certainly prefer Camels blend to either kind of tobacco smoked straight!

Camels blend makes possible that wonderful mellow mildness you hear so much about—yet all the desirable body is there to any smoker's absolute satisfaction! And no matter how generously you smoke, *Camels never tire your taste!*

Camels are free, too, from any unpleasant cigaretty aftertaste or unpleasant cigaretty odor—a cigarette revelation all by itself.

Compare Camels puff-by-puff with any cigarette in the world at any price! At once you'll know why Camels popularity steadily increases!

Camel

CIGARETTES

R. J. Reynolds Tobacco Co.
Winston-Salem, N. C.

Camels are sold everywhere in scientifically sealed packages of 20 cigarettes for 20 cents; or ten packages (200 cigarettes) in a glassine-paper-covered carton. We strongly recommend this carton for the home or office supply or when you travel.



It is Easy To Claim

It is less easy to perform. We intend to make our performance outdo our promise. You can test our ability and our willingness to serve by putting your banking requirements in our hands. They will be handled to your entire satisfaction by a carefully built-up organization and by a network of foreign affiliations covering the entire world

*Capital, Surplus and
Undivided Profits*

\$37,000,000

To Save the Express Service

Forced by the Government to consolidate, the companies can only hope to survive by continuing together and by asking higher rates

By **GEORGE C. TAYLOR**

President of the American Railway Express Company

WITH the taking over of the railroads in December, 1917, the express companies were not included. The Director General decided he would not recognize our then existing contracts with the rail lines put under federal control and considered them cancelled, but he did say he would deal with us as *one* company and enter into an agreement with that one company to conduct the express business, as his agent, on all federal-controlled lines.

After long but constant negotiations for nearly six months, there was formed on June 22, 1918, the now American Railway Express Company, which was not a merger but an entirely new corporation, to which each of the four old companies—the Adams, American, Southern and Wells Fargo—sold their tangible property used in express operations, at its depreciated book value, and took stock therefor, and, in addition, subscribed three millions in cash as working capital.

The new company, beginning with its operations July 1, 1918, by reason of constantly increasing wages and cost of all materials used in the conduct of the business, has never been able to meet its expenses.

A Large Healthy Deficit

ITS deficit, July 1, 1918, to the end of that year, was over nine millions of dollars, and for the year 1919 was over twenty-four millions. We were never guaranteed, as the railways were, a standard return, but we were guaranteed against deficit.

Thus we have operated as best we could for twenty-two months, with absolutely no return to the owners or stockholders upon thirty-five million dollars actual value of real estate and plant, of which three million was new cash put up by the stockholders on July 1, 1918.

As I look into the future, I cannot see the best and cheapest express service come from a restoration of the several old companies, nor the formation of several new ones. It would mean again adding to the rates enough more—which the public would have to bear—to pay for duplicate services in the elimination of which this company has saved many millions of dollars; and it would mean a less efficient express service for reasons which I will later briefly mention.

We realize our service has not been up to the standard and is not now, and it will take time to make it so—in my judgment, at least two years to reach anything like a normal situation.

We are dependent upon the railroads for our cars and transportation.

There is not enough express car equipment in existence, by some 2,000 cars, to properly handle the business of today. The railroads are not to blame for this, and neither are we.

Their present situation is but the outgrowth of conditions over which they had no control. No railroad could be blamed for not being willing to spend vast sums in new equipment and facilities, and neither could this company be blamed, and had we undertaken it, you know as well as I do that, with the uncertain

future up to the end of federal control, such money could not have been obtained.

Our transportation contract for all lines formerly under federal control expired automatically February 29, when the roads went back to private management.

Under the Transportation Act, we are in process of making contracts with the several hundred large and small roads, over 90 per cent of which have already been negotiated, but under the law these are only made for the period to August 31, 1920. Until that date, we are protected against deficit. After that, if we exist at all, we must have higher rates to meet our higher wages and costs.

As one express company operating over all lines, we can give a better service by the use of the most direct routes.

We can avoid much duplicate service and expense, which in the end must be borne by the public.

We can give to the shipper only one company to look to and not a divided responsibility and resultant delay in case of loss.

We can avoid all circuitous routing.

We can avoid rehandling by maintaining more through-car routes.

We can avoid delays and damage by rehandling at junction points in transfer to or from other companies as formerly, and by use of all the rail mileage, can fairly, we believe, compete with the Parcel Post, who will be our competitor. We are glad they are here as such, and with the competition of restored normal freight service and the competition of the fast-growing trucking service, we certainly can have no monopoly.

Fins and Wings

AN INSTANCE of the remarkable interdependence of all industry is cited by Victor Murdock, of the Federal Trade Commission. During the war he had occasion to receive in his office a gentleman who controlled practically the entire fish supply of the United States.

"A big business, isn't it?" asked Murdock.

"Oh Lord, it's a terrible business!" returned the other, after describing how the United States was divided into an Atlantic coast, Pacific coast, Gulf coast and Interior districts in regard to supplying and marketing the finny tribe.

"It would be all right," he continued, mopping his brow, "if it weren't for those damned aviators!"

"Yes?" questioned the commissioner, wondering whether the pilots were in some miraculous fashion poaching from above with hook, line and sinker.

"Yes, you bet. There's two kinds of fish; salt water fish and fresh water fish. The salt water fish, he's a boob; but the fresh-water fish is *smart*. You can catch salt-water fish with a cotton seine, but you've got to have *linen* to catch fresh water fish. And now the aviators have bought up all the linen on the market—that's what—for their darn wings. What I say is, they simply haven't got any consideration for the poor fish—no consideration at all!"

Putting horse-power over the jumps



THE blasting heat that most of us have felt as a boiler fire door is opened is cool compared to the white hot gases further in, that rise from the incandescent fire bed to be sucked back through the boiler and to the stack.

Their rush is swift, but before they can reach the stack, they have been forced to take the longest and most devious path through great racks of water-filled tubes, so that the water in the tubes will have every possible opportunity to absorb the heat from the gases.

To force them to take this longest path through the boiler, hurdles have been devised by engineers, over which this plunging flood of heat, energy, horse-power, must go, over and under, and up and down.

These hurdles, or baffle walls, as they are called, once presented many difficulties from a structural standpoint. They obviously must withstand great heat. They must be flame-tight, even though necessarily pierced and honey-combed by hundreds of tubes that change size as they heat or cool.

Johns-Manville has introduced a new departure in baffle construction, that of pouring the wall around the tubes just as concrete is poured.

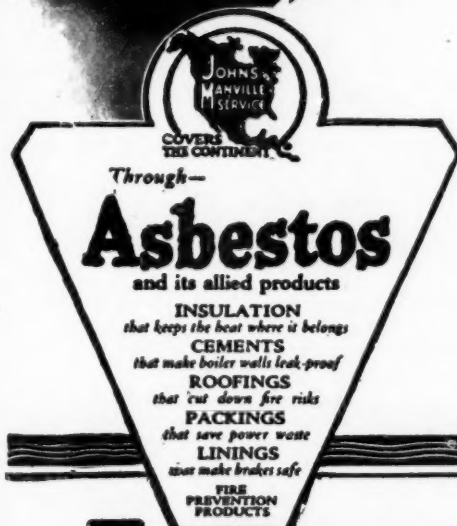
Such baffle walls are really leak-proof and resistant to high furnace temperatures, and unaffected by contraction and expansion of the tubes passing through them. They make new fuel economies possible in steam boiler operation.

This is but one of the many departments of Johns-Manville Engineering in the great cause of power saving. In addition to Baffle Walls, a complete line of *High Temperature Cements* has been developed to protect boiler fireboxes, retorts, cupolas, and dryers from destruction by high heats.

For the prevention of air leakage or infiltration there are other materials to be applied to the outside of boiler settings—all a most vital work in the conservation of fuel.

H. W. JOHNS-MANVILLE CO.
New York City

10 Factories—Branches in 63 Large Cities
For Canada
Canadian Johns-Manville Co., Ltd., Toronto



Here are a few
Johns-Manville products:

Monolithic Baffle Walls
Refractory Cements
Asbestos Insulating Cements
Asbestos-Sponge Felted Pipe Insulation
Asbestos-Sponge Felted Sheet and Block Insulation
85% Magnesia Pipe Insulation
85% Magnesia Block Insulation
Built-Up Brine and Ammonia Insulation
Cold Water Pipe Insulation
Vitrobestos Stack and Breeching Lining
Steam Traps

JOHNS-MANVILLE

Serves in Conservation

Wherever You Travel This Summer Carry American Express Travelers Cheques

In Europe carry the new Sterling and French Franc Travelers Cheques. For the protection of travelers in Europe against unscrupulous money changers and fluctuating exchange rates, the American Express Company has devised and issued Sterling and French Franc Travelers Cheques which can be cashed in Great Britain and France at face value less a nominal stamp tax.

Sterling Cheques are issued in five and ten-Pound amounts. French Franc Cheques are issued in denominations of 200 and 400 Francs.

You May Purchase These Cheques

At banks and express offices, paying for them in Dollars at the current rate of exchange plus the usual commission, and thus insure the value of your American money in foreign lands before you start overseas. Like the old Dollar Travelers Cheques, the new Sterling and French Franc Cheques are self-identifying.

In the United States, Canada, Alaska, Central and South America, the West Indies, and the Orient Carry American Express Dollar Travelers Cheques

This sky-blue international currency, which has withstood the severe test of thirty years, is readily accepted in every country in the world. For convenience and absolute safety against loss, these Cheques are superior to any other form of travel funds. You sign these Cheques when you buy them and again when you cash them. Identification such as is required to cash personal checks is not essential—your signature identifies you. They cost fifty cents for each one hundred dollars.

For Large Amounts Carry

American Express Letters of Credit, not as a substitute for Travelers Cheques, but rather to supplement them. American Express Travelers Letters of Credit are issued to travelers who wish to carry larger sums than they care to have in the form of Travelers Cheques.

The American Express Travel Department

With branch offices and connections around the world, can take care of all your travel requirements to any part of the world. Tours and Cruises in season.

AMERICAN EXPRESS COMPANY

A Labor Man on Nationalization

THE proposed nationalization of industries in Great Britain has been hit from a new angle by J. Havelock-Wilson, noted labor leader, president of the Seamen's and Firemen's Union, and a member of Parliament, who points out that "national bankruptcy and individual misery" are staring the English people in the face, and says that "this critical state of affairs has been brought about by the pursuit of the will-o'-the-wisp of nationalization."

Mr. Havelock-Wilson asks the English to slow down for a minute and take a squint at the existing state controlled enterprises. "They are terrible examples of how not to do business," he says. "They should serve as a warning to those who imagine that any system of nationalization will eliminate the evils of private initiative. Look at the post-office! The telephone service is a crying scandal. The railroads under government management have been losing money all during the war. How can we hope that the mines will be worked properly when those other enterprises have been so shamefully muddled?"

The nationalization of industry, according to Mr. Havelock-Wilson, would produce wasteful and inefficient administration. "As regards the mythical profits of which the workers are to have a share," he adds, "they would be nonexistent."

The Goodyear University

FIVE thousand employes of the Goodyear Tire and Rubber plant at Akron have enrolled as students in Goodyear's Industrial University, which has just been opened. The school is housed in a two and a half million dollar building erected by the Goodyear Company for recreational and educational purposes.

The university has 170 instructors, 65 classrooms, four laboratories and assembly and lecture rooms. The curriculum embraces all forms of study from elementary subjects to standardized collegiate post-graduate courses for those desiring to round out incomplete college careers. Tuition is free to all Goodyear employes.

The institution is without duplication in the world.

Alcohol in Industry

IF KING ALCOHOL has taken the count as sorrow-dispeller, yet his old pal, Wood Alcohol, is on the rise as an industrial power. The war gave a big push to our chemical industries, and alcohol serves them as a necessary solvent and reagent. After the war began we could no longer import alcohol and so began to produce it. Grain, vegetables and fruit were, however, carefully guarded for other uses, so the purification of the methyl variety of alcohol grew rapidly. Black strap molasses is at present the best source and raw material for this, though other good sources will probably appear. Such low-grade molasses has little value in itself, but, after being put through an alcohol distillery, it produces excellent methyl or wood alcohol.

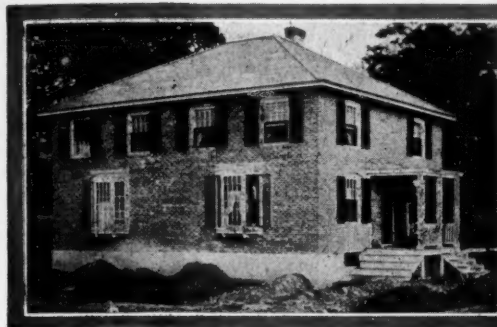
Making molasses into liquor is an ancient stunt—witness Jamaica rum. So even if any festive utility for this darker brother of John Barleycorn is now prohibited, he will serve the chemists of our country as never before. For alcohol, anathema though it be to the pure and holy, is still a vital industrial necessity.



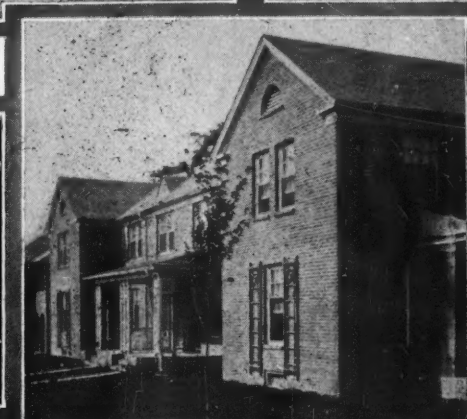
PORTSMOUTH, N. H.—Kilham & Hopkins, Architects



PORTSMOUTH, N. H.—Kilham & Hopkins, Architects



BATH, ME.—R. Clipston Sturgis, Architect



NEWBURGH, N. Y.—Ludlow & Peabody, Architects



FAIRFIELD, CONN.—R. Clipston Sturgis, Architect

Priority—A Necessity in Construction

DURING the war America faced the world's greatest housing problem. Thousands of permanent homes were needed for ship builders and munition workers.

This need was met promptly and sensibly by the broadest use of local materials, all of which were given priority in fuel and transportation. As a result, thousands of good-looking permanent homes, like these shown here, were quickly and economically built of Common Brick.

Many cities are now profiting by this great emergency exper-

ience. Local-made brick is being used to meet the housing need, not only for the day but for a century hence. Brick houses last and are rarely burned when built in groups.

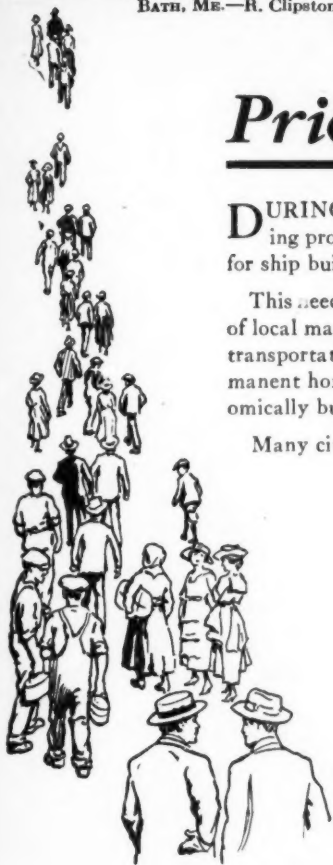
More than two thousand amply equipped brick plants are distributed throughout the forty-eight states. Each has an inexhaustible supply of clay which is converted quickly and with a minimum of fuel and labor into everlasting brick. It is always a short haul from plant to job. Much of the delivery is by motor truck, thus relieving railroad transportation.

Housing is as much a peace-time essential today as it was a war-time essential in 1918. Give construction a chance by using the most accessible and economical of materials—Common Brick.

As a practical aid to the home builder we have prepared "BRICK for the Average Man's HOME," showing thirty-five attractive houses, all of the modern type of fire-resistive Common Brick construction. Working drawings available for each house. Book shows floor plans, estimates, two color exterior views, etc. Sent postpaid for \$1. For the contractor, "BRICK—How to Build and Estimate," special edition, 25 cents.

This National Educational Campaign is sustained by the Common Brick Industry of America. Address the Secretary-Manager, 1310 Schofield Building, Cleveland, Ohio, U. S. A.

For Beauty with Economy
build with Common Brick



What's Holding Up Production?

Here are the problems faced by American industry as it fights to overcome the war strain, with suggestions that business leaders think will be effective

FROM every corner and section of the nation, 4,000 business men—leaders in their fields—gathered at Atlantic City recently. They came at the call of the Chamber of Commerce of the United States to devise means for increasing the output of necessities and breaking the vicious circle of rising prices.

Many of the 4,000 came at great personal sacrifice. There were matters at their own desks that were pressing for answers. Cars were short; the gathering of raw materials was becoming more and more difficult. Warehouses and yards were piled with goods finished and ready to deliver—waiting on transportation.

"Give Us Cars" the Shippers' Plea

GIVE us cars," was the keynote of the group meeting on railroads, but coupled with it came a recurring demand from one speaker after another that the problem of labor and the railroads be squarely faced.

Charles E. Lee, transportation engineer, started the ball rolling with a paper on "Car Supply and Car Service," going over much the same ground as his article in this issue of THE NATION'S BUSINESS. At the close of his talk the cry of individual sections of the country was heard.

Mr. Perring, of the Chicago Board of Trade, wanted to know what was to be done to move the grain which the country banks were finding it difficult to carry. "There are on the farm," he said, "about 160,000,000 bushels of the 1919 wheat crop, I think, and by the middle of July the 1920 crop harvest will begin. We are much concerned whether the railroads will be able to increase the number of cars fit for loading grain."

Captain White, of the Lowell Tube Company, got down to the labor situation as the foundation cause of all the trouble. The eight-hour day imposed by Congress, he said, was unsound economically and morally.

"There are two things going to arise in this country at the same time," said C. B. Mills, of Minnesota. "One is the millennium and the other is ten hours' honest work for ten hours pay. There were \$80,000,000 worth of wheat, rye, flour and feed in Minneapolis with no cars to move it," he said.

"Give us the box cars and we will give you the food and the money," he went on. "We can liquidate our grain from the northwest, furnish you food, and our Federal Reserve Bank, instead of borrowing money in New York, will lend it."

Bellingham, Washington, in the person of John A. Miller, said "that the normal payroll of nearly half a million dollars a month in that city was cut by \$160,000 in August and September for lack of cars." He wondered at the miles of cars he had seen coming through from Pittsburgh. He had counted 150 Great Northern cars on tracks and in the yards.

Mr. Hutchinson, of the Westmoreland Coal Company, suggested to Mr. Miller that probably most of the cars he saw were waiting for repair parts. "I am glad," said he, "that

These men came anyhow. They discussed their common problems; took and gave advice; decided on means for the relief of their hard-pressed industries.

Since it was a meeting of business men conducted on business lines, it was broken up into eleven groups. They were: railroads, highways, finance, shipping, foreign trade, domestic distribution, industrial production, civic development, insurance, costs and business press. THE NATION'S BUSINESS outlines here the trend of thought at these conferences so that the benefits may not be confined only to those who attended.

Mr. Miller saw coal cars moving. One of the complaints we have had for some time is that they do not move."

William D. Mainwaring, of Philadelphia, brought the discussion back to labor and its extremist leaders.

"I was in Washington," he said, "and I came in contact with a prominent union man, a day or two prior to the first industrial conference called by President Wilson. He said, 'the industrial conference would not amount to a hill of beans.' I asked him why. He said, 'the radicals had control of the situation.' Every one knows what happened to the conference."

Make the Motor Truck Help

THE American freight car has won the eight-hour day without a struggle. In fact, it works, even nominally, only about seven and a half hours a day, and of that it is in motion only a little more than two hours, spending the other five being loaded or unloaded.

If that be true, and if a freight car does not begin to make money for its railroad until it has carried its load at least forty miles, and in most cases nearly eighty, and if our terminal congestion gets daily worse, what's to be done?

These are the questions for which answers were sought at the meeting of the group on highways at the annual convention of the Chamber of Commerce of the United States in Atlantic City.

The makers of motor cars had an immediate answer. "Ship by truck," they said, but there were qualifications to that answer.

"I am of the opinion that it will be necessary for the shippers of the country to relieve the carriers of the bulk of the less than carload shipments moving to short-haul points," said W. J. L. Banham, general traffic manager of the Otis Elevator Company, who has given the matter careful study.

It is Mr. Banham who is authority for the figures on the idle life of freight cars. He has worked it out that the average car travels 9.03 per cent of its time, is being loaded and unloaded 22.58 per cent of its time, and rests for the other 68.39 per cent.

R. H. Angell, of Roanoke, Va., told the meeting flatly what he thought was the matter with railroads:

"The railway companies, from the President down, today are not in control of their roads. When I tell you that, I know what I am talking about. They absolutely are not. The unions are in control of the transportation companies of this country today.

"I am not here to fight the unions, but I am here to tell the truth, and if we know it let us talk it. Labor has thrown the challenge down to the business of this country—has sent out the word that every man who does not agree with them in Congress must be defeated. What other invitation are you waiting for to accept the fight?"

A novel plea was made by Mr. Holden, of Kansas City, who said that "in the western country small towns and big ones are already besieging the railroads for new passenger stations, not so much for use but for city pride.

"I would like to see," he added, "this committee tell all the Chambers of Commerce throughout the United States that the need now is cars and locomotives, and not passenger stations."

In addition to the report of George A. Post, and the paper by John E. Oldham on "Railroad Consolidation," there were presented to the meeting messages from some twenty-five leading railroad executives, appreciative of the work of the Chamber of Commerce of the United States and, for the most part, hopeful for the future.

Granted that the freight car either can't or won't do its bit to help along production by helping along transportation, and the next question comes: At what point does the motor truck cease to pay? Again Mr. Banham is ready with the answer.

From New York to Newark is an extreme case of a costly freight haul. To carry a hundred pounds by rail costs 87 cents and by motor truck but 15 cents. The rail expense to Elizabeth or New Brunswick remains the same despite the increased distance, while the motor truck cost mounts first to 20 and then to 40 cents. By the time Philadelphia is reached the difference is rapidly disappearing, the freight expense being 98 cents and the truck 80, while at Chester, Pa., the two figures are only a cent apart and rail shipment comes into its own.

"I am satisfied," said Mr. Banham, "if the manufacturers will take into account all the various charges which are part of a true freight transportation cost, that trucks can be operated successfully in competition for distances of between 10 and 125 miles."

Admitting all that, say the makers of motor trucks, and you still need roads, more roads and better roads, if you are to talk of automobile competition with railroads. Give us, they ask, a properly planned federal system, not the present plan of federal aid with the appropriations administered under a subordinate division of the Department of Agriculture. Here is what Roy D. Chapin, presi-



The New Packard Basis of Rating was Established by Absolute Transportation Facts revealed by more than 7000 Monthly National Standard Truck Cost System Reports, covering a period of Two Years

Why Packard Discarded "Ton Rating" for Packard Trucks

REASONING as transportation engineers, the Packard Company has believed for years that the arbitrary factory "ton rating" system was bound to become obsolete as soon as sufficient facts on transportation could be known.

These facts are now at hand—made available through more than 7000 Monthly National Standard Truck Cost System Reports, covering a period of two years.

These reports confirm what Packard has so long foreseen—the fallacy of rating a truck simply on the tonnage capacity of the chassis and engine under normal conditions.

They have proved again and again the sound Packard practice of rating a truck with *all* the transportation factors in mind—character of roads, grades to be met, speeds to be maintained, and the chances of overload, etc.

COMPARE a Packard Size G, Model E, Truck of six tons capacity, developing nearly 6700 pounds traction at rear wheels and able to pull a 28 per cent. grade on low gear; with the typical "6-ton truck," developing less than 4700 pounds traction, and able to pull only a 20 per cent. grade!

The Packard frame both

strong and flexible—made of rolled channel steel, not pressed steel.

Packard *solid tired* trucks governed at 11, 13, 15, 18 miles per hour, by the Packard transportation expert in touch with the actual job.

Today, as always, Packard is selling *transportation*.

HEREAFTER each Packard Truck will be designated by *size and model*.

The rating will be made, on the ground, *for the job*, by the local Packard engineer—selected for what it will do in the individual customer's business, and with all his *actual conditions* in mind.

"Ask the Man Who Owns One"

PACKARD MOTOR CAR COMPANY, *Detroit*



Transportation is the life blood of trade. If the railroads have more than they can do, other means must be found. The most logical candidate is the motor truck. It can go far toward making up for the present shortage of 800,000 freight cars. Motors call for good roads. Experts declare that our dirt roads cost us \$500,000,000 a year.

dent of the Hudson Motor Car Company, said:

"What should be done is to permit the federal, state and county governments to select those roads of most importance from their own standpoint and let each improve and maintain those roads so selected. We should have national highways built from federal funds. This will release state funds for state construction and county funds for county construction. Appropriations will not be scattered haphazard as under the present system.

"This federal policy would insure maintenance and would not permit anything but a durable road. Certainly no effort would be made to take all or any part of the work away from the State Highway Department, save that of location, as long as the state highway department is efficient."

No less insistent was George M. Graham, general sales manager of the Pierce Arrow Motor Car Company:

"The greatest problem which faces the nation," said he, "is the coordination of all road building into a national system which shall scientifically assure a comprehensive system of highways under national control. To those who argue that money lacks for comprehensive construction, it may be said that economy should not be pressed to a point where it defeats investments necessary to prevent losses. Waste, due to unimproved roads, is already estimated to reach the appalling sum of \$500,000,000 a year."

"It is quite obvious," said Windsor T. White, president of the White Company, "that we have been approaching a time when our future progress will demand a new and better expansion in transportation which can adapt itself to changing conditions and which is, in large measure, unrestricted in its direction of operation. This expansion will be found in the general adoption of

motor-truck transportation within the zone of their economical operation.

"In the development of motor-truck transportation there is one factor which requires particular consideration, that is, the extension and improvement of highways. Without this the economic value of the motor truck cannot be fully realized. Consequently the expansion of transportation by motor-truck operation as a contributing influence to the progress of our civilization includes in its conception the construction of adequate roads over which trucks can economically operate, for it is quite obvious that the ramifications of railways cannot be expanded to the form of a series of spider's webs radiating from industrial centers and reaching all communities."

"Let the army help you," was the message of Col. Brainerd Taylor, of the Motor Transport Corps. Here is one way he suggested:

"In connection with the war's development of motor transportation and the future development of motor transportation in the army, it has become very evident that increased production of results with motor vehicles as obtained through the daily work of drivers and motor mechanics is an absolutely vital necessity. Aside from the vocational training schools conducted in the

purely military branches of the army, such as infantry, cavalry and artillery, we have issued training orders for the whole Motor Transport Corps of the Eastern Department designed to produce the type of truck driver experience has shown to be needed. Similar orders are issuing in the other departments.

"As a school for commercial truck drivers employed in organized motor transportation the army should prove invaluable. It should obviate the necessity of establishing such schools in connection with commercial transportation companies in which there is such a large overhead, nonproductive expense.

"The city of Cleveland, Ohio, has taken our peace-time army with the same seriousness that it showed toward our war-time army. Capital and labor have joined together to help fill up Cleveland's quota of troops. Employers and representatives of labor unions join recruiting officers on the platform in making this new army of ours known to workingmen. Each employer is asked to send into the army 1 per cent of his employes from among his unskilled workmen from 18 to 30 years of age. He in turn promises them reemployment and preference, according to their increased capacity, if they will return with an honorable discharge and certificates of proficiency from army service schools. Labor promises renewed membership in its unions."

Save at Home to Lend Abroad

THAT this country is in a position to extend further credit to foreign nations only by curtailment of its own expenditures and by increase in its own production was the conclusion of a report on European finance read at the group meeting which dealt with national and international financial problems.

James S. Alexander, president of the National Bank of Commerce in New York, presided and read the report of Europe's

financial condition, which was prepared by the National Chamber of Commerce Committee on European Finance.

This pointed out that the most immediate and important problem for this country is how to extend further credit to foreign nations without bringing about added inflation at home. It is generally conceded that further inflation of our credit structure must be checked if commodity prices are to decline

Only 46 inches wide—goes through narrow, crowded aisles and most doorways. Delivers the load exactly where wanted. Saves extra handling. Reduces waste and breakage.

Runs on gasoline and gives *uninterrupted* service. Ready for heavy duty 24 hours a day. Built entirely of metal for long life. Economical to operate.

Carries 2500 pounds of coal, ice, sand, wet concrete, core flour, hot forgings, rough castings, finished parts—any thing. Tows heavily loaded trailers at the same time.

Plenty of power. Carries full load up an 18% grade. Works outdoors or in the plant. Speed $\frac{1}{4}$ to 12 miles per hour.

Standard automobile control, simple to run. Several styles of bodies adapted to the requirements of haulage problems in different lines of business.



Reduces Labor On Material Handling

Hand trucking and wheel barrow jobs—when enough men can be hired to fill them—*show almost prohibitive labor costs.*

The Clark Truactor does all the work of a large gang of hand truckers and wheelers—*does it better, quicker, cheaper.*

A Truactor never stops to rest or roll a cigarette—*ready to go 24 hours a day, week in and week out. Does as much work the last hour as it does the first.*

Clark Truactors are reducing labor turnover, in many industries. A transportation engineer will confer with you on the adaptability of Clark Truactors to your problems. Write for illustrated booklet.

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or even to remain stationary. Advancing commodity prices would more than offset any gain to European purchasers through better exchange rates. Additional credits to nations abroad, without at least a corresponding increase in the amount of commodities available for export, would not be of any advantage to those countries and would be dangerous to our own country. It would be far better to leave the situation to find its own solution in the natural course of events than to create new credits and purchasing power, the effect of which would be merely to increase the cost of living here and abroad and the unrest which would naturally follow.

It was further set forth that the necessity of getting raw materials to Europe is fundamental to reconstruction, and the sanction and cooperation of the government was invited to bring about this end.

Since government financing for Europe has ceased, the extension of credits must be by private means, the report explains, adding that there is no doubt in the minds of the men who prepared the report as to the existence in continental Europe of some security as a basis for loans. However, it points out, conditions precedent to the establishment of such credits are the correction of certain factors in the American investment market and the establishment of the proper machinery of credit.

In reference to the policy of our government not to make further advances to Europe, the report said:

"It would appear, however, that the present situation involves more than merely business considerations and that its numerous political and social ramifications are of deep significance to our people and to the whole world. In a matter of such scope it does not appear to us sound policy to proceed on an extensive scale until definite governmental sanction and cooperation is assured, and this committee believes that it will be impossible to stimulate general popular support for foreign financing until such official sanction and cooperation is afforded.

"This committee desires particularly to emphasize that a definite understanding should be arrived at regarding the policy which the government will pursue in protecting American investments in foreign countries, since it would obviously be dangerous to encourage foreign investments without a clear understanding on the part of investors of what the government's policy will be once the investments were irrevocably made.

Without in any way entering into the political aspects of the treaty of peace or the League of Nations, the report in conclusion stressed the fact that it is necessary, in a discussion of conditions influencing American investment in Europe, to point out that the continued existence of a state of war has not tended to improve that confidence in conditions overseas which must always be the basis for forming credit judgments.

A paper on foreign exchange prepared by Fred I. Kent, vice-president of the Bankers' Trust Company, of New York, warned

against the stabilization of the foreign exchanges as they exist today on the grounds that such stabilization would be most harmful to the world, and would only postpone the present difficulties until a later date when all chances of recovery would have passed. Any plan aimed to correct the exchanges which does not correct the causes for their disorganization is certain to result in financial disaster, according to Mr. Kent.

Mr. Kent made it plain that, in his opinion, the attitude of labor throughout the world is holding back reconstruction progress and adding to the cost of living.

"The huge credits that the world seems to require in order to restart the force of industry in a proper manner," he said, "would not be required if orderly production could again be established. Furthermore, until integrity of purpose again becomes a part of the attitude

of labor toward its work it is neither safe to grant credit nor would credit serve the purpose for which it is required. On the other hand, with integrity of purpose assured, there is sufficient credit in the world to finance all industry and transportation as fast as it can be resumed.

"The individual laboring man as such is not to blame, as his problems have been as hopeless as all the rest of mankind to prevent the trend of things. Other labor has struck against him, and he has struck back against other labor, although he has always been taught to believe that he was striking against capital. The sacrifices that all labor, and all those in other lines of work, might be willing to make individually if they could see that such sacrifice would bring about better conditions, can only be made effective when all are working together."

Better Towns Make Better Workmen

COULD New York City, through its Chamber of Commerce, raise \$200,000,000 within thirty days for a scheme of civic development? Would two out of every five of its residents, men, women and children, give to the fund with an average gift of more than \$100?

The odds are against it in New York, but it was done in Middletown, Ohio; but, as George M. Verity, of the American Rolling Mill Company, told the group on Civic

employers and his community must join.

"There was a time," Mr. Verity explained, "when a Chamber of Commerce was only supposed to interest itself in purely business problems, but the modern Chamber of Commerce is a much greater and more important institution than the old.

"It should be alive to every interest, in touch with the commercial and industrial situation at home and abroad.

"It should be fully informed on every phase of life in the community and in sympathetic touch with the needs and aspirations of its people.

"It should, in fact, be the very backbone of the community as the sponsor for every constructive institution or effort.

"It should be both the architect and the builder of a greater and better community, and it should have both the moral and financial strength to get back of every proper effort for civic advancement.

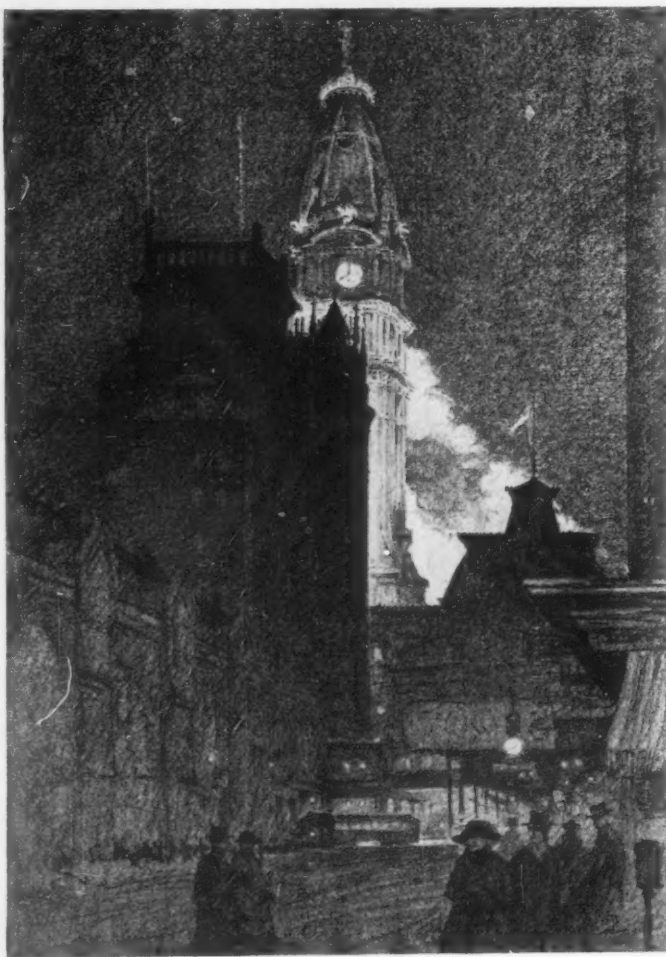
"The local Chamber of Commerce can, however, only come to its full power after commerce and industry have first set their house in order. Through the practical application of the 'Square Deal,' which must be based on a platform of real Christian principles, they must secure in their individual organizations such mutual understanding of their problems, policies and plans and of the underlying principles governing business as will create a condition of mutual confidence, each in the other, and thus bring about real effective, permanent cooperation.

"With that accomplished, all of the elements composing a community can be brought together through the medium of their Chamber of Commerce, and such civic development can be made as will provide all those things needed in modern community life."

"It is possible to secure 100 per cent efficiency in civic patriotism," said Mr. Verity, and he proved it by his own town:

"In the beautiful city of Middletown, Ohio, a community of not to exceed 25,000 souls, a campaign was recently staged by their Chamber of Commerce to raise \$1,000,000 for civic rejuvenation. The city had outgrown its civic development.

"Old institutions were inadequate; new

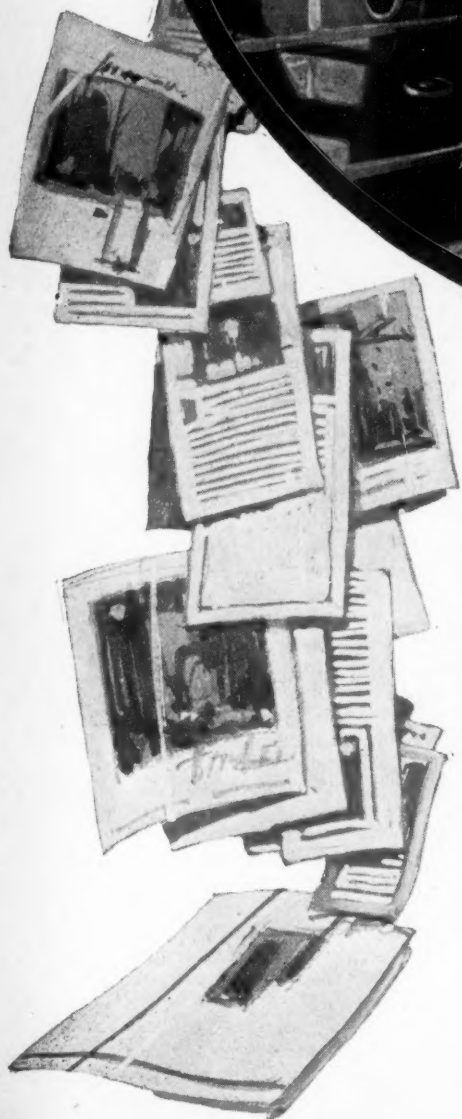
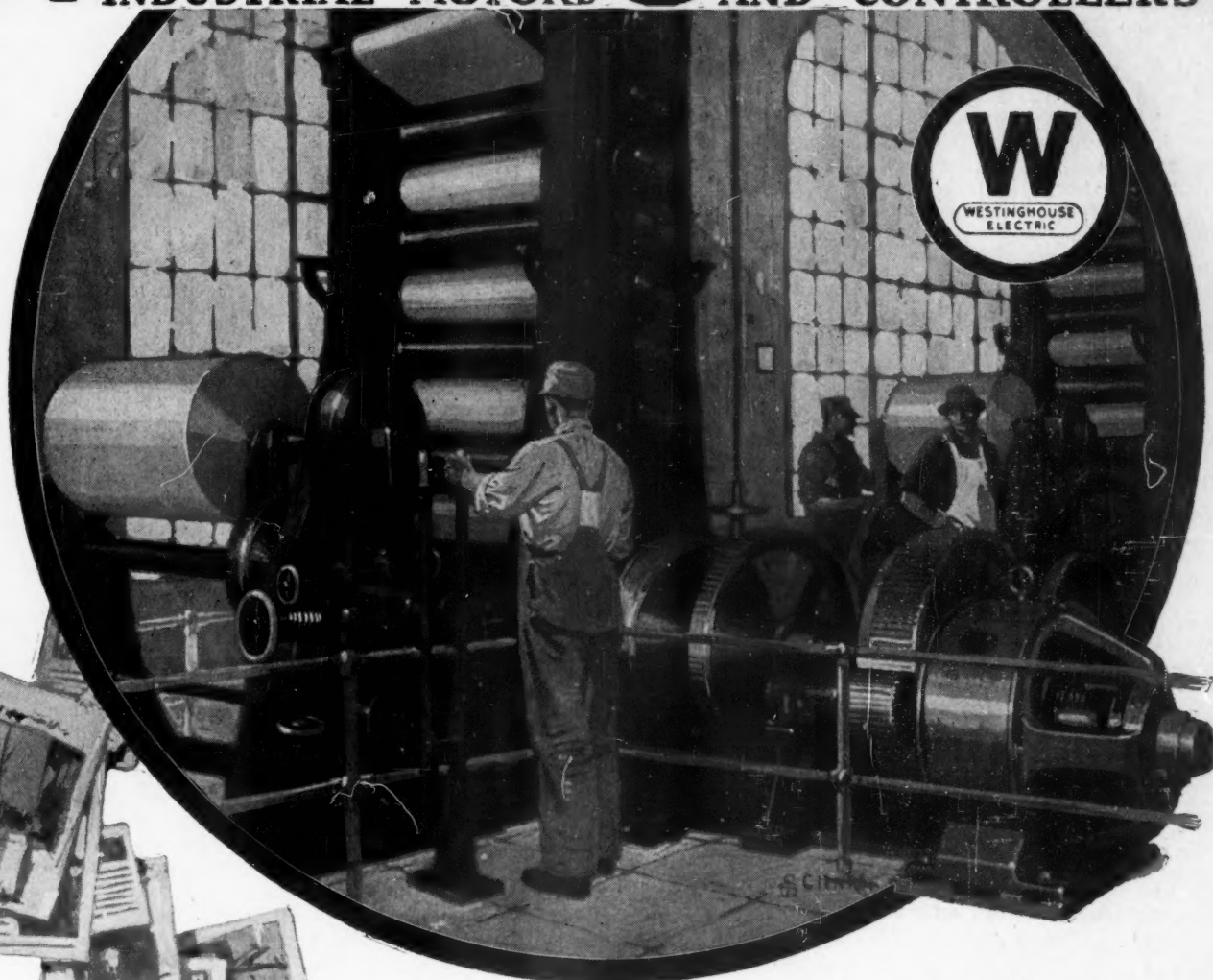


Development at Atlantic City, "there is only one Middletown, Ohio."

"Stability" was his text—stability in home conditions, living and working conditions, and community conditions, and in all of them the individual, his family, his associates, his

Westinghouse

INDUSTRIAL MOTORS AND CONTROLLERS



Power and Printed Page

The debt that the world owes the paper, printing and publishing industries can never be calculated. No single industry or group of industries has been a greater civilizing force.

It remained for electricity, however, to remove the limitations of steam power before the printed page could become the vital factor it is today.

This is illustrated by what Westinghouse Electric Motors, to say nothing of many other Westinghouse products, are doing in the logging camps, the pulp and paper mills, the printing plants and elsewhere, to keep up a constant flow

of production at top speed; to meet rapidly growing demand; to make possible better paper and better printing for less money and to accomplish other valuable benefits.

Book or magazine; newspaper or circular—somewhere in its making it has probably felt the influence of Westinghouse Motor-Drive.

Westinghouse has made a thorough study of paper and printing industry requirements and has had unusually broad experience in motorizing the machinery essential to the production of the printed page.

WESTINGHOUSE ELECTRIC & MANUFACTURING COMPANY
East Pittsburgh, Pa.

ones not as yet enjoyed were needed. The Board of Education and City Commission required funds in excess of regular income to enable them to keep pace with a growing city and the high cost of living.

"More playgrounds were needed to give the children of all districts that opportunity to get out into God's sunshine and grow up sound mentally, morally and physically, that every boy and girl should have.

"To have attempted a series of campaigns to take care of these numerous and varied needs would have required much lapse of time, tremendous effort and a continual appeal for funds that would, in the end, have discouraged both workers and contributors and that might have defeated the very end desired.

"After much deliberation, the Chamber of Commerce decided to stage one great campaign, so comprehensive in its scope, so magnificent in all its proportions, as to at once appeal to both the sympathy, imagination and pride of their people, and to bring out all available community leadership in a maximum degree.

"This plan, if effective, would, in not to exceed thirty days, accomplish what might take three years to do in any other way, if it could be done at all.

"With their campaign experiences of the war still fresh in their minds, the officers and members of the Chamber of Commerce went to work.

"An effective campaign organization was created. Many preliminary meetings were held. Every detail was carefully looked after, and within thirty days from the time the campaign was launched \$1,029,000 was raised from the subscriptions of 9,000 contributors.

"Subscriptions equalled \$40 per capita, \$200 per home, or two subscriptions for each and every home.

"The Chamber of Commerce of Middletown has 1,200 members, composed of 250 working men, 341 women who are members on exactly equal terms with the men, 120 farmers and 489 business men.

There's Only One Middletown

"THE city of Detroit would have to raise a civic fund of \$40,000,000 and New York City some \$200,000,000 to equal this performance. There is only one Middletown, Ohio, but what has been done in that city can be duplicated in other communities.

"The Chamber of Commerce of the United States is the largest and strongest commercial organization in the world. Backed by the prestige and support of this great national organization, the local Chamber of Commerce should so meet the great emergency and opportunity of the times that it will gather around it the support of not only every business institution in its circle, but the individual support of every man and woman in the community."

A plea for the woman who works was made by Mrs. Sophia E. Delevan president of the Chicago Women's Association of Commerce. She was sure that many of the welfare departments in factories had been failures, that women resented the air of patronage, and that employers had used the departments merely as advertising accessories. Put a forewoman over women and try "an industrial mother," were her suggestions.

"It may be," she admitted, "that at this time there are very few efficient forewomen, but with the increased number of women going into industry the ability to direct, control, manage and make labor of others efficient is increasingly manifest among

women. If you will observe your women employes with the same care that you observe the conduct of your male employes, it will soon be obvious to you that you have capable women in your employ who are likely to become efficient forewomen. This selection of a forewoman will in many cases tend to do away with favoritism and will abolish resentment, and jealousy.

"Second, having pointed out that in some cases a welfare department was being used for advertising purposes and was unsuccessful from every point of view, I venture the assertion, and have ground for my belief, that if a capable woman were selected to act as industrial mother, you will obtain increased production, contented workers,

Make Labor's Ill-Will into Good-Will

ANY discussion of plans for increasing production naturally turns to the problem of industrial relations and one group was devoted to industrial production as a subject. The principal speakers all touched on the problem of the relation of employer to employe, with especial reference to education as a means of increasing output.

Dr. Charles A. Eaton, associate editor of *Leslie's Weekly*, declared the great fundamental need in industry today is education and leadership.

"It is only fair to state," said Dr. Eaton, "that low production is often due to bad management and unskillful engineering. But in my judgment, the chief cause of diminishing output is spiritual. It is due mainly to ill-will on the part of the worker and until this ill-will is changed to good-will we shall never see a general increase of production. How, then, can the American worker be brought to see that he must increase his output if he is to avert ruin for the nation, his family and himself?

"The great need is education. The neglect or denial of this is the original cause of most of our labor difficulties. The absent employer has been worse than the absentee landlord in his evil influence on social conditions. The masses of men in industry crave leadership. Not finding it where they had every right to expect it, among their employers, they turned to their own class.

"If we wish to increase production we must have a nation-wide campaign of education inside and outside industry. I venture to suggest a few of the subjects to be studied:

1. Every man in an industry requires to be taught all about that industry. The management must learn the problems of the worker, economic, social, physical and spiritual. And the worker must be taught the problems of finance. Each must be brought to see the business in its entirety as a great complex unity in which every man from the big boss down has a place of vital importance.

2. We must all be taught the meaning of wages and profits. Business is a public service. Profits are paid the investor by the community because his investment produces something of value to the community. Wages are paid the worker by the community because his work produces, or helps to produce, something which the community needs or wants. Both profits and wages are paid out of production. The better the management and the more intelligent the work, the larger the production. And the larger the production the greater the share of labor and capital. This seems simple, but few understand or believe it.

3. We need desperately to be educated in the reasons why production must be increased

persistency. The purpose of this industrial mother will be many and varied. She should be a woman of character, intelligence, tact and sympathy. She should know every female employe—acquaint herself with the home life and domestic conditions of every one of them. She should know the state of health and be able to give sound advice, sympathetic attention and work among them instead of being placed in a fancy office where it would be hard to approach her.

"She must be one among them and, under special circumstances, direct aid. The right person would be of immeasurable value, not merely to you but to the commonwealth. Such a person should be to the employer a sort of guide and friend."

before the cost of living can come down. The following statement seems self-evident and yet hardly any one knows or cares about it. The world production of food and goods is never more than two or three years in advance of the world's needs. Fundamentally the cause of excessive prices is scarcity. The world today is poor in its supply of goods and food as compared with the demand.

4. We must have a nation-wide education in the simple facts and principles of economic and political life in order to head off the spread of impossible theories which infect the minds of men like a mania and which offer themselves as a substitute for honest work.

5. We must have education as to the interrelation of the different parts of the complex social and economic life if men are to get busy again. Now the worker believes his interests are antagonistic to those of his employer. He must be taught his mistake.

6. One great step in increasing production will come with the adoption of the open shop throughout the nation. You must choose soon between the open and closed shop. And the choice of the open shop involves a great price. It means that the employer will do for his men what is his duty voluntarily without the compulsion of the union. It means leadership by the big boss, education of all the industry and an absolutely square deal with such measure of self-government as the case may warrant.

"I believe that the union rightly ought to become to the worker what the Chamber of Commerce of the United States is to the employer. It ought to deal with general conditions and be the agent of the workers in legislation and education. The union ought to become a safeguard against strikes instead of, as now, the chief leader and instigator of strikes."

How Kansas is endeavoring to keep going the production of the necessities of life through the agency of its new industrial court was set forth by Gov. Henry J. Allen:

"No government has the right," said Gov. Allen, "to forbid any man the privilege of stopping work.

"It cannot and would not if it could," he continued, "deny to either employer or employe the right of discussion or negotiation of their differences. We have legalized collective bargaining in the law, but we have set up this principle: that where any group of men conspire to shorten production for the purpose of affecting the price or the wage, then that is a conspiracy against the public. It is not a new principle.

"We have not established a court of arbitration or of conciliation; we have established a court of justice. Arbitration has failed through

Makers of Mileage

You can get out of your car only the mileage that is built into it.

It is not enough that the various parts that make up the car shall be of known merit, carefully designed and manufactured. Each part must be engineered into the car, must be properly installed in relation to every other member of the completed mechanism.

This is why we have always insisted that Timken Tapered Roller Bearings be installed according to our engineers' specifications, and why car manufacturers sometimes change designs in order to meet Timken requirements.

The bearings at points of hard service are actually the vital underlying factors of the whole mileage question, since they form the foundation on which the whole power transmission plant operates.

The tapered roller bearing is *the* type of bearing that will function properly under radial load, or thrust load, and *all* possible combinations of the two. The installation of Timken Tapered Roller Bearings wherever hard service is met with insures maximum mileage being built into your car.

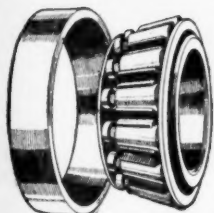
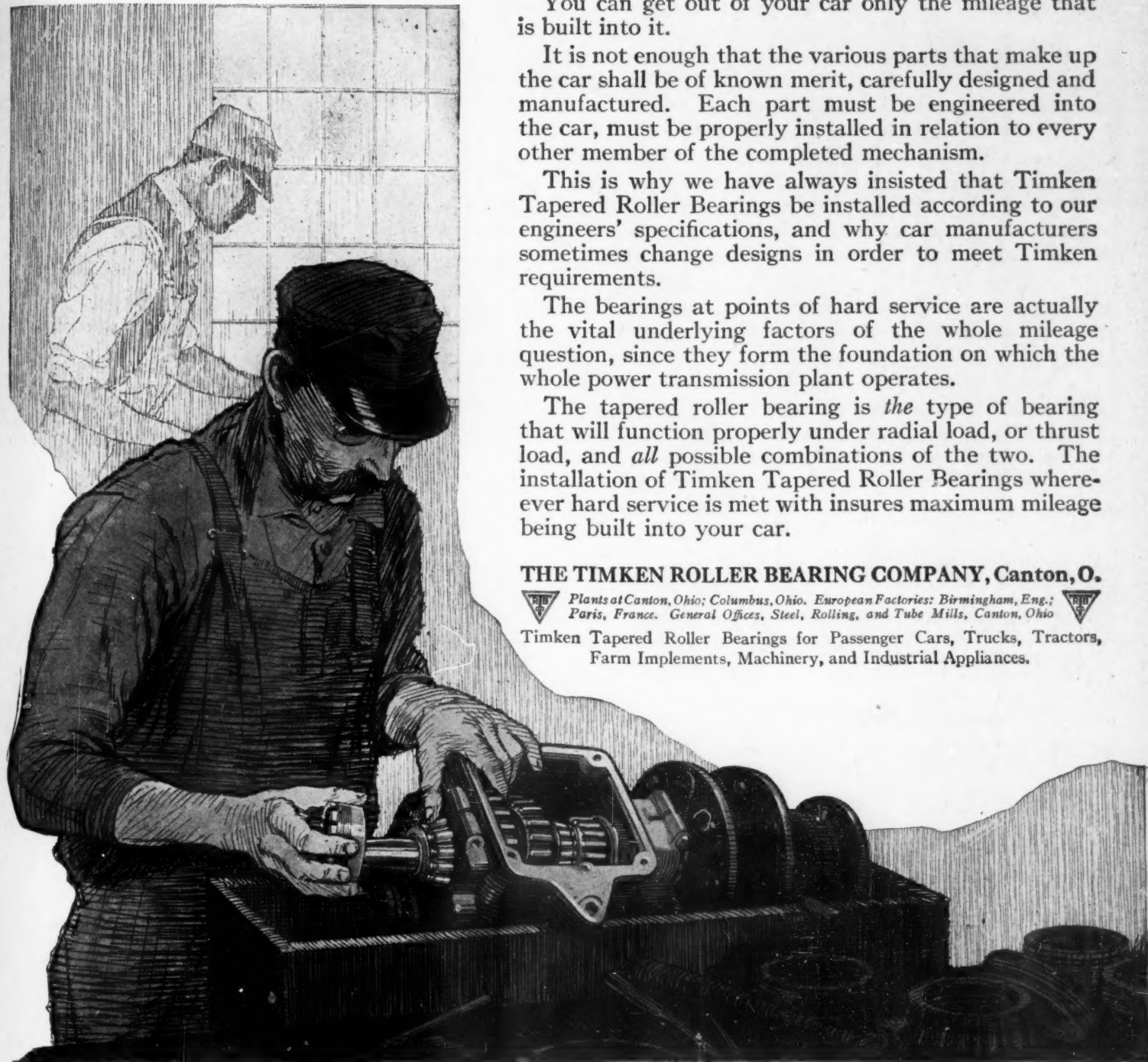
THE TIMKEN ROLLER BEARING COMPANY, Canton, O.



Plants at Canton, Ohio; Columbus, Ohio. European Factories: Birmingham, Eng.; Paris, France. General Offices, Steel, Rolling, and Tube Mills, Canton, Ohio



Timken Tapered Roller Bearings for Passenger Cars, Trucks, Tractors, Farm Implements, Machinery, and Industrial Appliances.



STANDARD PRACTICE

The use of Timken Tapered Roller Bearings at points of hard service in the great majority of motor-vehicles is proof of leadership established on the tapered principle of design, quality of manufacture, performance on the road, and service to the automotive industry.

TIMKEN BEARINGS



REGULAR SERVICES

TO

BRITISH ISLES
the CONTINENT
MEDITERRANEAN

AND

LEVANT

BY

AQUITANIA
MAURETANIA
IMPERATOR
K. A. VICTORIA
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PANNONIA
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ROUND
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THROUGH BOOKINGS
TO ALL PRINCIPAL
PORTS OF THE WORLD

SCHEDULES ON APPLICATION
21-24 STATE STREET, NEW YORK

OR BRANCHES AND AGENCIES

fifty years of growing difficulties in industrial life."

Pomeroy Burton, managing director of the London *Daily Mail*, advanced two things as

necessary to avert a crisis: First, education of the public, and, second, enactment of industrial legislation to eliminate strikes and to establish progressive courts of inquiry.

High Prices No Harm to Foreign Trade

IN speaking before the Foreign Commerce group meeting, William C. Redfield, former Secretary of the Department of Commerce, advocated the removal of the blockade against Russia, saying "that the Soviet authorities are making that blockade a prop to sustain their falling fortunes." He said, "that the Soviets charge to the blockade all the ills which are the result of their own incompetence and wrongdoing."

Mr. Redfield attended the "increased production" convention in the capacity of representative of the American-Russian Chamber of Commerce. He said, "that so far as he knew, the organization he represented was the only body of American business men, co-operating to combat Bolshevism in our commercial life."

W. L. Saunders, president, American Manufacturers, Export Association, told of the part that is being played by American import and export trade in repairing the waste of war. Mr. Saunders said, "that what we are really suffering from, if we are suffering at all, is that business is becoming beyond our normal capacity to take care of it. High prices, under such circumstances, are inevitable."

"High prices," he said, "are not a serious menace to our exports because the conditions that brought them about are world-wide. It is a fact that among the industrial nations America has suffered less from the high cost of things than others, and for reasons that are obvious. Our suffering period might begin if attempts should be made to limit capital by heavy taxation and through drastic discount rates. We can only repair our part of the waste of the war through earning capacity, based upon the production and sale of goods, whether they come from the farm, the mines or the works."

In speaking on "Foreign Markets for Increased Production," Philip B. Kennedy, director of the United States Bureau of Foreign and Domestic Commerce, said, "that one of the first problems to be faced in finding new fields for our products is that of credit." He asserted, "that if our exporters insist upon a cash basis we can only expect to see our exports fall off as the urgent need for American

goods diminishes." Continuing on this point, he said:

"Risks in the foreign situation today loom large in the minds of many American producers. There is no immediate likelihood of any large loans being made either by our government or by American investors to European countries. Later on, when conditions in Europe improve and confidence is restored, foreign bonds may find an accepted market with American investors. For the immediate future reliance must be placed on commercial credits covering actual shipment of American goods. Such credits granted to reliable importers in other countries with conservative safeguards, will tend to give real assistance to our foreign customers and will bind them to their connections in this country."

Mr. Kennedy emphasized the fact that foreign trade is dependent not only upon production and finance but also upon men and methods. "Every great trading nation," he said, "has had a large number of men of experience and training in dealing with other countries. Lack of this kind of men has, in the past, been a great handicap to the United States. Now is the time to capitalize the interest of ambitious young men in foreign trade and build up a trained personnel."

In conclusion, he warned American business men against over-confidence, and urged serious interest and enterprise in developing foreign markets as an outlet for increased production. "Let us enter the race with patience, initiative and enthusiasm," he said. "From a long time point of view the prosperity of our country depends to a large extent upon foreign markets. Our industry is gaining momentum. Opportunities overseas were never so great. Our future is to an unusual degree what we make it, not at some future time, but at present. The task before us is to consolidate the opportunity which is ours."

Constantine C. Orghidan, head of the Roumanian Commission to the United States, appealed to the business men of America to manifest a greater commercial interest in his country, which he said affords a fruitful market for American products.

Getting Rid of Distribution Delay

INEFFICIENT distribution, due chiefly to inadequate transportation facilities, is one of the main contributory causes of the advanced living cost in the opinion of W. C. Rutherford, vice president, B. F. Goodrich Tire and Rubber Company, as expressed before the Domestic Distribution group meeting.

The whole theme of this group meeting was that increased production would not remedy mounting prices unless the means of distributing a greater output were improved.

One of the speakers cited the case of the great shut-in district of Szechuan, over in the west-central part of China whose only communication with the rest of China is through the practically impassable gorges of the mighty Yellow River. This district is extremely fertile and produces enormous supplies of agricultural products, but it is shut off from all other parts of the world. When wheat was selling in the United States at more than \$2.00 a bushel during the war, the price of wheat in Szechuan was 10 cents a

bushel, and even at that price it was going to waste.

The speakers were unanimous in saying that distribution in this country is being seriously interfered with at this time because of the run-down condition of our railroads. More transportation facilities must be provided. Mr. Rutherford suggested the motor truck as the most effective auxiliary to rail and water traffic.

Mr. Rutherford laid stress upon the value of the use of the motor truck for short hauls. He said, "that in England the government has adopted a hard and fast rule that railroads shall not carry freight within a zone of twenty-five miles from the center of such great industrial cities as London, Liverpool and Manchester. Freight shipped within such zones must go by motor truck."

Mr. Rutherford quoted Gen. Hines, chief of transportation in the War Department, as having made the statement that the country is short 800,000 freight cars. "Think what that means," he said. "No wonder we are



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gathered here seeking an outlet. During the war we gave priority to ammunition and other essential war material over all other manufacturing; it is relatively as needful to give priority now to the building of steam engines and freight cars. If we have not learned by now that transportation is more goods, our case is hopeless."

Edward A. Filene, of Boston, said, "that improved distribution methods and reduction of distribution costs would reduce the cost of commodities to the ultimate consumer. The large department stores which buy direct from the manufacturer are able to sell goods cheaper than the small merchants who buy indirectly through jobbers and other agents, all of whom take a slice of profit in passing on the goods." He advocated the standardization of products.

Charles Coolidge Parlin, of Philadelphia, stamped the men who goes into the market and buys goods and holds them for the purpose of cornering the market as a criminal. "This is one of the weaknesses of our distribution

system," he said. According to Mr. Parlin, "a great many operators have broken into the distribution field solely to grab quantities of commodities and hold them against a speculative rise."

"The retail distributor is an economic necessity," said W. H. Mann, of Chicago, "as he puts on record the wants and necessities of the people and thereby serves in the development of industry through the producer. The retailer initiates. He reports on conditions and necessities the manufacturer has no other means of ascertaining. If he were eliminated the initiation and development of production, whether of the farm or factory, would remain so contracted that we could not maintain the established mode of living. Every community needs the retail distributor in order that all products may be brought within his reach. On the other hand, every producer needs the retail distributor in order that his products may have the opportunity of being presented to the people of every community."

American Insurance on American Ships

THE danger to an American merchant marine from a lack of American marine insurance was the warning sounded by Prof. S. S. Huebner at the Shipping Group meeting. Prof. Huebner laid stress, as he did in his interview in the April issue of *THE NATION'S BUSINESS*, on the fact that American business men are laying before their keenest competitors retail trade secrets while both England and Germany, with this in mind, have sought to make themselves independent in marine insurance.

S. D. McComb, manager of the Marine Office of America, made the same point citing the case of Germany before the war. "An American sending goods to the Far East," he said, "could use a German ship, be financed by a German bank and insured in a German insurance company. For all of this they got a profit, and more. The shipowner, banker and insurer all got very valuable data concerning the business of the American, especially if there was a loss which allowed full examination of the goods and permitted requests for information on manufacture, cost of parts, etc. To be on the safe side, it is, undoubtedly, best to deal with one's own fellow citizens and natives of the country traded with."

"Lack of support for American companies, inequitable taxation and legislative instruction were the handicaps on American marine

insurance companies," according to William H. McGee, "and all of them could be done away with, if American merchants would do their part and would follow the example of their British brethren in giving preference to home companies."

R. S. MacElwee, assistant director of the Bureau of Foreign and Domestic Commerce, told of the handicaps that are put on shipping in New York by cartage costs, while B. F. Cresson, Jr., consulting engineer of the New York, New Jersey Port and Harbor Development Commission, told what that body is doing to relieve the situation.

W. F. Taylor, assistant director of operation of the U. S. Shipping Board told what that body was doing and put this pertinent question:

"Take, for example, the situation at Constantinople. We have three direct lines of service for that port and the Black Sea. The limited facilities are congested, and it costs \$50 per ton to land freight from the steamer to the wharf or more than the freight rate from New York. These conditions are being regulated by an inter-allied commission consisting of British, French and Italian representatives, but no American. I wonder how much consideration we have a right to expect in the way of facilities for American ships at Constantinople under these conditions?"

The Task of the Trade Press

THE task of the trade paper to teach, as well as to record, to be prophet, as well as historian—this was a point frequently touched on at the group meeting on the Business Press.

Charles H. Clark, of the *Textile World Journal*, read a lesson to the publishers from their own sad state as regards print paper. "That lumber men and pulp manufacturers were blinded by self-interest and shortsightedness to the certain result of their wasteful methods affords no excuse for the contributory negligence of publishers," said he. "If we had adopted and conducted a united and well-defined plan of publicity, designed to discourage such waste and to secure the enactment of adequate reforestation regulations, the desired objects would have been obtained long ago. We fail to take the dose of medicine we are so liberal in prescribing for others, and we now have no

alternative but to exhibit ourselves as horrible examples."

The lesson was ready for the retailer in the address of Andrew C. Pearson, of the *Dry Goods Economist*, who gave these four ways by which the store can stimulate production:

1. By being satisfied with a moderate profit, so he may turn goods over rapidly.
2. By giving preference to medium grade merchandise which will serve the consumer's needs and not lead to extravagance.
3. By holding down the amount of unnecessary service and reducing expenses, so the consumer's dollar will buy the greatest possible amount.
4. By seeing that his salespeople inform themselves so that they can present the goods intelligently.

Fight propaganda with propaganda, urged Roy V. Wright of the *Railway Age*. He

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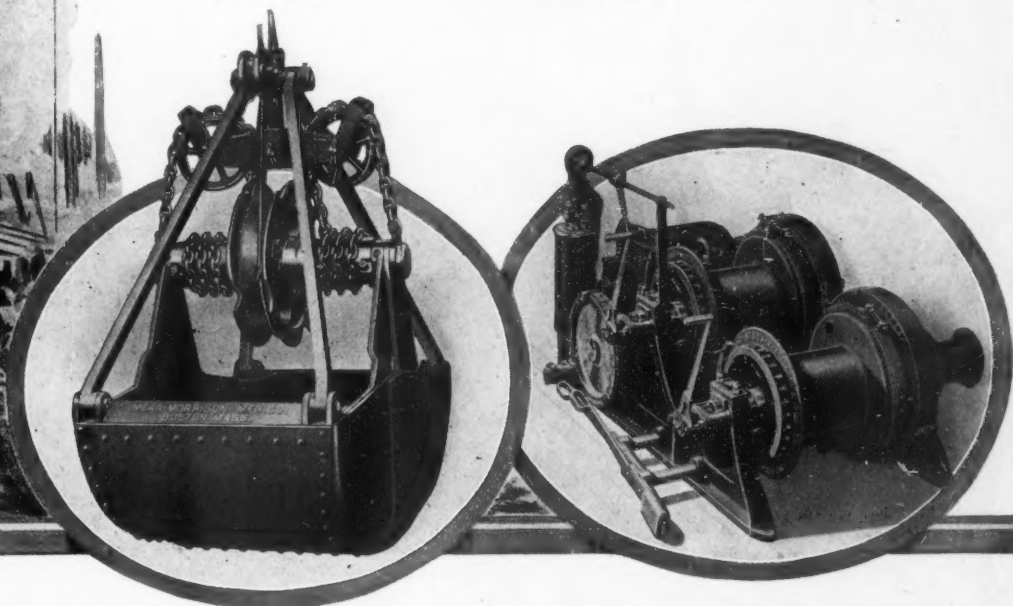
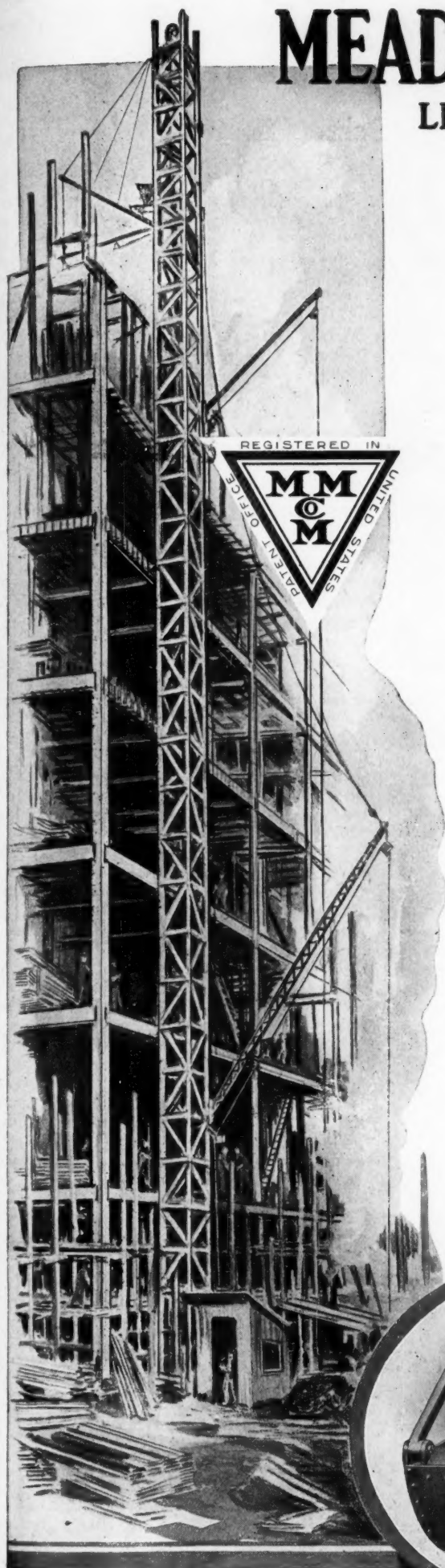
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NEW YORK - N. Y.

quoted Representative Cooper, of Ohio, who said of *Labor*, the newspaper published by the Plumb Plan League: "I believe that this paper has done more to poison the minds and hearts of railroad men than anything else that

has happened in this country in the last year."

"That was the kind of propaganda that led to the outlaw strike," Mr. Wright thought, and he added, "it was up to the business to do its best to offset these conditions."

Cost as a Price Fixer

SIMPLIFICATION of federal tax laws and unification of government requirements, with respect to corporation accounting, is demanded with growing insistence by business interests. This was brought out clearly and with force by the group of manufacturers, merchants and others who gave two meetings to the subject of cost accounting in relation to increased output.

The two sessions gave an opportunity for a meeting of minds on a subject the importance of which has come to be recognized generally only within the last few years. It was brought out that business is coming to a realization that costs and their determination play a leading part in production and distribution. What undoubtedly was the general view may be put in the words of J. Lee Nicholson, president of the National Cost Accountants' Association, who said:

"With pressure being brought to bear on all sides for lower selling prices the manufacturer at the present time finds himself compelled to take notice of certain financial matters heretofore considered unimportant, but which now, by reason of the spirit of the times, take their place alongside of more important matters.

"The present wave of feeling throughout the country is one of reclamation and conservation, whether it be in the home, the business or in the factory. The necessities of the times require it, for the reason that wasteful habits acquired during the intense period of the war must be replaced with habits conducive to proper spending.

"How well it is remembered what tremendous waste of material and labor was unavoidably incurred during the war in the superhuman effort for production. In those days costs were of secondary importance and little did it matter to the manufacturer if a dollar was not expended to its full utility.

"Peace having brought the American manufacturer to a place where competition once again regains its field, the subject of accounting must now engage the attention of those whose future success is to rest on a firm foundation.

"The fact is established and strikes forcibly home that the time has now come when every unit of wealth must be used to its maximum utility, not wasted as in the past by unthoughtful and injudicious spending, but outlaid carefully with due regard to the result that issues.

"This fundamental factor applies not alone to the manufacturer, but to the wholesaler, the retailer and to the professional man."

The subject of tax laws and government requirements regarding accounting came up again and again. Illustrations of the way the present tax laws operate were given by William Butterworth, president of Deere & Company, who served as chairman, and others.

F. Wilbur Main, of Pittsburgh, president of the Pennsylvania Board of Examiners of Public Accountants, touched on one point that brought forth general approval when he said:

"There has been a great deal of discussion among accountants as to whether interest is or is not an item of cost. It is certain that that part of an investment in any business represented by borrowed capital has just as much right to a fair remuneration as a farmer has to a fair remuneration for his labor on the farm, and unless properly rewarded capital gradually wastes away to a dry rot."

The retailer's position was brought out by a number of men attending the meeting. The seller, it was declared, must make every provision against a declining market and must consider that profits made on rising prices are a form of insurance against a decline. Speaking on this subject, Lee H. Bierce, of Grand Rapids, Mich., gave the following incident as illustrative:

"A wholesaler in our town," he said, "filed his financial statement with his bank. He was engaged in a business where his merchandise showed a tremendous appreciation and when he filed his statement the banker asked: 'Where did you get all this money?'"

"The merchant replied:

"That is a war dividend, or an unearned dividend. That amount of money does not reflect any increased business ability on my part; it is a war dividend which grew up like a mushroom."

"What are you going to do with it?" asked the banker.

"I am going to leave it there as a depreciation reserve or a cost accounting reserve."

"What do you mean, a cost accounting reserve?" the banker asked.

"And his reply:

"I know through a life of merchandizing that there was never a hill without its valley; there was never a period of high prices without a corresponding period of low prices, and when the depreciation sets in I am going to take that reserve and pay my stockholders a dividend. If I did not have a reserve there I would be doing business at a loss through a period of depreciating prices."


Insurance Pledges Its Aid

ANY JUDGE will advise a jury that the judge is the interpreter of the law, but that the jury must be the judge of the facts.

The Supreme Court of the United States decided, many years ago, that "insurance" was not interstate commerce and, therefore, not a business in the usual acceptance of the term. American business, in meeting assembled at Atlantic City in April, without disrespect to the court, took a contrary view and, as a "judge," decided, with unanimity, that not only is insurance a part of commerce, but one of the seven major groups of American business.

Thus has insurance come into its own. And, under the authority now given in the newly adopted by-laws, the Insurance Department of the Chamber of Commerce of the United States has been erected, with two regularly elected directors from insurance in the general board of directors and with plans for the creation of an advisory committee composed of all elements of insurance.

It was significant that, at this eighth annual meeting of the National Chamber, the varied elements of insurance met for the first time, sat down together and thereby gave their moral and personal support to



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the new thought that insurance and other business must join hands.

R. M. Bissell, president of the Hartford Fire Insurance Company, presiding at that Insurance Group Meeting at Atlantic City, said:

"It seems to me this is a most important and momentous occasion, chiefly because it signalizes and is perhaps the first outward sign and public acknowledgment on the part of insurance and all other kinds of business, that insurance is a full partner in that diverse and complicated thing we call business. . . . It is important for another reason—that it is the first time that insurance interests of every description, stock, mutual, inter-insurers, and agents of stock companies have all come together and have publicly recognized, as we do by being here, that, in spite of very divergent views on some subjects, our great differences in organization and methods, we have certain common, peculiar characteristics which stamp us unmistakably as one interest."

But Mr. Bissell does not confine himself to the insurance viewpoint alone, for he added:

"... In the long run the Chamber of Commerce of the United States can succeed only in the measure that its activities make for public good. So also can the Insurance Department make good in the Chamber to the extent that it proves itself a valuable component part of the organization in originating and furthering plans and efforts that will help toward creating better conditions generally in the body politic and aid in the progress and development of American business as a whole."

There is where Mr. Bissell struck the high pitch in the keynote of his presentation—that insurance shall "aid in the progress and development of American business as a whole." That sounds the keynote of cooperation and erects a standard which he and his associates can uphold with assurance of like sentiment from all other elements of business.

This epitomized the outstanding significance of the new movement launched at Atlantic City—the classifying and grouping of American business within the National Chamber and the erection of practical machinery to so coordinate these parts that American business, as a whole, may move forward solidly and cooperatively to a common goal.

"I want simply to call your attention to the fact that, in the recognition of Insurance as one of the great subdivisions of American industry and business life, both a privilege and an obligation are conferred on us and we shall be judged by the extent to which, as a whole, we measure up to that obligation."

Thus, Mr. Bissell in his conclusion. With this spirit it is not too much to say that insurance will have much to give as well as to receive and, as an integral part of American business, will prove a factor of real and determining value in the new work which today confronts not only American business but the peace and prosperity of the world.

A Home for Business

By HARRY A. WHEELER

A LITTLE more than a year ago the membership of the Chamber of Commerce of the United States authorized the raising of a fund of \$2,275,000, for building a national home for business in Washington. Efforts directed in the intervening months towards getting this sum together have brought subscriptions and commitments totaling \$2,391,000.

The Committee charged with the task

decided it would not go to the big business interests, but would give the work the mark of broad democracy which has been given to the policies of the Chamber through the last eight years, consequently the country towns were approached first and this is the response we got from 338 of them:

"We want a national home and we who constitute less than one-half of the industrial strength of the Country will give one-quarter of the whole amount necessary to complete the project."

These communities have made good their promise, and their pledges for \$746,000 are in our hands.

Now, it is not strange that the committee having this encouragement went to the big industrial communities of the country with confidence.

We have chosen one of the most beautiful sites in the city of Washington and have spent for the ground \$750,000. We expect to expend for the building, for its equipment and for its endowment \$2,000,000. This will be the best investment that American business has made in the course of its history.

It would be a great pity, if at this stage of the world's progress, the great interests representing the commerce and the business of this country should fail to recognize their obligations and should find themselves unwilling to lend the strongest cooperation and to exert the most powerful and proper influences.

Build a monument? No. We have time for monuments when there is less trouble in the world. Build a home for a utility? Yes, and make it so useful that it shall be the meeting place in the public interests of the great economic forces of our country.

Unfair Practices and Foreigners

DUMPING of foreign merchandise in the United States to kill off essential industries created during the war has attracted the attention of the Federal Trade Commission, as a possible form of unfair competition with which it can deal.

By reason of war conditions, pre-war foreign sources of ferro-manganese were cut off, and American production of this essential in steel-making was developed to the point where it can supply the domestic demand. Since the armistice, however, British producers of this commodity are alleged by the Commission to have offered ferro-manganese in the United States at less than the current price in England plus expenses incident to transportation to the United States, and to have taken this course for the purpose of injuring our new domestic industry. The Commission has accordingly required the American agents of the British manufacturers to appear and indicate why they should not be restrained from this sort of thing.

The question the Commission has raised is interesting from several points of view. It may emphasize the different views held in England and in the United States about trusts; in England, it is considered in the public interest for the members of a British industry to combine and charge specially high prices in their home market in order that they may, when necessary to obtain the business, sell in foreign markets at less than cost.

In taking up the question of dumping, the Commission is proceeding with a subject on which Congress may act at this session, by enacting legislation levying special compensatory duties against goods imported at prices that are made with a purpose of eliminating domestic goods from the market.



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By B. F. HARRIS

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We take up this subject—pressing us for years—with the determination that the present opportunities and recent experiences will drive us to action in our own interest.

For, in national problems, we usually have to be driven, or drive our representatives to act in our own interest. An American merchant marine is a commercial, military and governmental necessity, confronting every group and every section, vitally and insistently concerning individual and national existence and prosperity.

The fundamental fact to be kept firmly and first in the foreground is that commerce and trade is the thing; that time is, and dollars are not of the essence; that the widest and largest possible market must be found and fostered for the products of our factories, farms, forests and mines.

The greater the diversity and the wider the distribution of our foreign shipments, the greater the average stability and dependability of our production, consumption, and whole economic and social life.

It were folly, therefore, to make suggestions, except on the ground that this nation is to plan a permanent policy for such outlet or foreign trade; unless it is to make absolutely certain the delivery of the products of our labor and industry to foreign markets as regularly and cheaply as do other nations, and without dangerous dependence upon their shipping.

You Can't Escape the Cost

WHATEVER is needed to develop America's foreign trade and merchant marine must be forthcoming—call it subsidy, subvention, bonus or what-not—it must be accomplished at any honest cost, on an all-American plan.

Such a provision to assure us a shipping and a fair return to our investors would be returned a million-fold in the opportunity for outlet to all our production.

Ships do not make commerce any more than farms mean production. They must be operated under an efficient and economic provision and guidance that will reach the wide markets that wait on a production coming from producers whose ingenuity and efficiency can and must justify the best wages in the world; otherwise, there is no hope for our foreign commerce.

Remember, too, that we cannot permanently establish and maintain a merchant marine without an American shipbuilding industry.

The future of our merchant marine depends upon our ability to compete in the world-wide trades, and not only upon cargoes to and from the United States ports. The competition in world-wide trade will be with foreign vessels, owned and operated privately without governmental restriction or control, and to meet such competition our vessels must be operated on a similar basis.

FARMER and banker of Champaign, Ill., no man's interests would seem to lie farther from the difficulties of our merchant marine than those of Mr. B. F. Harris. This very fact is a most encouraging sign for the future of our commercial fleet. It means that the farmers and business men of the Great Middle West have come to realize how closely their affairs are bound up in the welfare of the Atlantic coast states—and in world markets.

Mr. Harris is president of, and owns, with his brother, the First National Bank of Champaign. He is modestly described in "Who's Who" as "being interested in farm lands." He is a member of the Ocean Transportation Committee of the Chamber of Commerce of the United States.—THE EDITOR.

Even with shipping properly provided, we must, at the same time, build up a strongly coordinated system of trade representation, consular personnel and activity, banking effectiveness and marketing adaptability.

Before the war our vast overseas commerce was carried almost exclusively in foreign ships—a practice politically and economically unsound and ruinous. Now, as a forced result of war, we have a fleet—a fleet somewhat unbalanced because preponderating as to cargo as opposed to passenger or combined passenger and cargo ships.

Thus the question confronting us is not how shall we get, but how shall we dispose of and manage, to America's advantage, the great fleet the war has left us?

Had the Shipping Board the courage, immediately after the armistice, to write down the sale price of these ships, at a time when large profits were possible, all of the adaptable ships would have been sold and the owners would have realized profits in their operation that would have enabled them to establish themselves in a strong position with reference to future competition.

But the Shipping Board seems to have been more concerned in making good trades and a good financial showing than in building up a merchant marine. Even if the ships had been sold at current prices of reproduction, or, better still, if they had been sold at an appraisal, a great many, if not all, of the adaptable ships could have been sold.

The contention of the Shipping Board has been that the excess in their prices, above the cost of building the same ship today in American shipyards, was justified by the fact that they were in a position to make immediate delivery. In respect of any common commodity for which there was a strong demand, this policy might easily be approved, but it has no place in a governmental policy ostensibly designed to promote a great national enterprise.

Unless these ships are sold at a price that will permit the owners operating them in the future to compete with foreigners who bought their cargo tonnage at pre-war prices, Ameri-

can ship operators will require government aid to a large extent. Is it not better to treat these ships as war material and mark down the price, as has been done in the case of all other war material, rather than to draw largely upon the national treasury for subsidies? It must be one or the other. High capitalization now means large drafts upon the public funds hereafter, if we are to keep our ships at sea.

The fact is, experienced shipping men are afraid to embark in shipping enterprises if they are obliged to pay Shipping Board prices for tonnage in view of the uncertainty of the future. These men of experience realize that, at the present rate of ship construction throughout the world, there is soon bound to be an excess of tonnage, and that freight rates, already declining,

will be so low as to make the operation of cargo boats unprofitable.

Let us take our loss now and be done, sending no more good money after bad. Surely we have had our fill in three years of such a policy. The argument for continued government ownership and the "pork barrel" propositions inevitably to result therefrom in connection with the development of new ports, political and otherwise, rests neither upon good judgment nor past experience, or, in any event, on a reasonable regard for the public funds.

Having determined upon a policy of ownership, there arises the question: How is our merchant marine to be maintained in competition with nations that, after years of experience, have acquired and intelligently developed world-wide organizations? How may we compete with this thorough knowledge of the shipping business, and these vessels, capitalized at much lower values than our own? Government aid in some or several forms will be required. But the nature and extent of that aid, the wisest among us cannot at the moment foretell.

Learning the Game

THIS question, together with questions of differential railroad rates, through bills of lading, foreign trade representatives of the Government stationed abroad, increased mail subventions, changes in the navigation laws, remission of taxes on vessel property, differential duties and the like, should receive the careful consideration of some body or group qualified to pass upon it, and a report made that can be used as a basis for careful legislation.

The thing that concerns us is to stop attempting to supply the export trade with idealism and look after our own interests. If we are advised and unprejudiced, we will recognize that no people can approach England in the games of international trade, shipping, finance or politics.

It hasn't been our game and we might as well recognize it and play close to our stomachs. England is linking government and business in close cooperation; her battleships now carry her commercial travelers to a battle royal for business.



P.W. FORM 223, 20M-2-25-19.		NOT FINISHED		MACHINE HRS.		WORKER		CLOCK NO.	
TIME RECORD						John Smith		344	
						DRAWING NO.		ORDER NO.	
						76 D-347		10714	
						OPERATION		OPERATION NO.	
						Milling		27	
						NAME OF PIECE		SYMBOL & LOT NO.	
						Cam Lever		M-6	
APR 22 9 .7		v.6				MACH. HRS. ALLOWED		MACH. HRS. FORWARD	
APR 22 7 .1						6 1/2		5 1/2	
APR 22 4 .5		v.0				ACCEPTED		REJECTED	
APR 22 2 .5						19		1	
APR 22 0 .9						TO BE USED BY TIME & COST DEPT. ONLY.			
APR 22 0 .0						NET HRS. WORKMAN		NET HRS. APPRENTICE	
						1		1	
						HOURS SAVED		LABOR COST (EXCEPT PROFIT)	
						1		5 1/2	
						APPROVED		DATE FIGURED	
						5.5		3.30	
						MACH. HRS. RATE		MACH. HRS. RATE	
						.60		.50	
						FIGURED BY		DATE FIGURED	
						GWS			

RETURNED		1920 APR 21 PM 5 25		CHARGE TO	
ISSUED		1920 APR 21 PM 1 10		Acct 31	
				CLOCK NO.	
				544	
				NAME TO BE VERIFIED BY SIGNATURE OF WORKMAN.	
				Leo Jones	
OPER NO.		103		OPERATION	
ALTERNATIVE MACHINE		STANDARD MACHINE		LOT NO.	
				3	
				ORIG. NO. OF PCE.	
				100	
				Is This Lot Finished Complete	
				YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
DESCRIPTION		Drill Casting for Framing		CHECK HERE	
NO. PCE'S FINISHED TODAY		100		PRICE WORK	
		.035		IF PREMIUM DAY WORK OR PCE WORK STAMP HERE	
MAN'S TIME		HOUR MIN.		LIMIT PREMIUM TIME	
4 15				15 3	
		RATE PER HOUR		DAY WORK	
				3.50	
				FORM OF 15-12	

What are you doing to meet the present demand for

Increased Production?

ARE you considering the construction of additional facilities at a comparatively big investment expense, or are you taking steps first to get nearer 100% production from your present facilities?

You may be producing only 50% or 75% of the maximum possible in your plant—merely because you do not know what is the maximum possible, and because you do not know how much valuable machine and human time is actually being lost.

Stromberg Job Time Recorders

Will enable you to obtain accurate production statistics with which to plan all work intelligently so that the various operations will correlate perfectly.

Will enable you to measure accurately the time

lost between jobs, waiting for material, instructions, assignment of work, etc.

Will give you accurate labor cost records, as well as accurate payroll records.

Write to-day for Booklet NH.

We are manufacturers of complete Time System Apparatus; Master Clocks, Employees' In-and-Out Recorders, Job Time Recorders for Cost Keeping, Automatic Time Stamps, Program Instruments, Secondary Wall Clocks, etc.

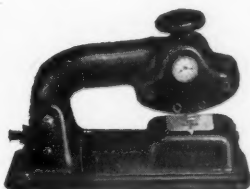
STROMBERG ELECTRIC COMPANY, 600 S. Michigan Ave., Chicago, Illinois

Canada: Stromberg Time Recorder Company of Canada, Ltd.

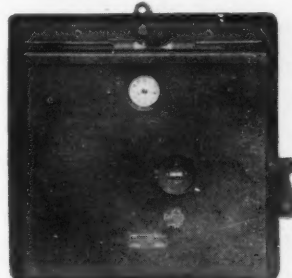
72 Queen Street, W., Toronto, Ontario, Canada



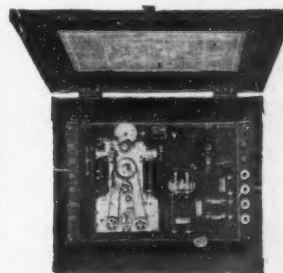
Secondary Clock



Time Stamp



In-and-Out Recorder



Program Instrument



Known for generations as the country's "Beehive of Industry" New England today is facing post-war conditions of unparalleled prosperity.

The Preferred Stocks of New England offer a participation in America's growth. These issues are backed by long records of successful manufacturing. Their demonstrated earning ability is one of the many reasons why they are the Preferred Issues of discerning investors.

Ask us to send you our Folder NB357 describing seven carefully selected New England Preferred Stocks.

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Mass.

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Me.

The Sherman Act Again!

THE SHERMAN ACT is perennial as a source of interesting developments. It is a dull month when the Supreme Court does not hear arguments or hand down at least one decision respecting the statute which exceeds all other restrictive laws in the part it plays in our affairs.

April was not dull, according to such a standard. The Supreme Court announced its opinion in a case bearing upon the supply of anthracite coal, and the Department of Justice asked the Supreme Court to reconsider its decision in the case it concluded, seven weeks before, in favor of the Steel Corporation.

In the anthracite case a majority of the court declared that a holding company was in a position of dominating control over two great competing interstate railroads and two great competing coal companies. This dominating power, these members of the court found, was not obtained by normal expansion to meet the demands of a business growing as a result of superior and enterprising management, but by deliberate, calculated purchase of control. Such a power, so obtained, regardless of the use made of it, the court holds is a menace to, and an undue restraint upon, interstate commerce within the meaning of the Sherman Act. The court says there was suppression of competition and in effect a pooling of the earnings of the enterprises concerned.

Immediately after the court decided the anthracite case, the Department of Justice returned to the attack against the Steel Corporation. It asked the Supreme Court to rehear the case, and reconsider its opinion of March 1. The department insisted that the court forgot to consider whether or not the Steel Corporation is a combination in restraint of trade, in that its formation suppressed pre-existing competition among some of the component parts. The department apparently believed if it could get the court to apply its reasoning in the anthracite case to the steel case, the Steel Corporation might be dissolved.

A Different Case

THAT this would have been the result is not altogether clear. In the anthracite case three of the members of the Supreme Court agreed with the lower federal court, that in the major aspects the holding company does not involve a violation of the Sherman Act, upon the evidence offered by the government. The lower court took the view that the holding company represented an honest attempt to cope with a perplexing financial situation twenty-five or more years ago and was the result of an attempt to solve difficult legal problems with scrupulous regard for the law; it found no bad faith or deliberate wrongdoing. The three members taking this attitude in the anthracite case were among the four that decided the steel case, and before the Department of Justice could win, in the event it got a rehearing in the latter case, one of the four would have to change his earlier point of view. As for the fourth justice who voted against dissolution of the Steel Corporation, he wrote the prevailing opinion in the steel case and, even though he voted with the majority in the anthracite case, is possibly the least likely to alter the opinion he held in March.

On May 3 the Supreme Court itself put an end to speculation about the possibilities by announcing its appeal to reopen the steel case.

There Will be Plenty of Food but the Cool, Wet Weather and the Pressing Need of Labor Are Holding the Farmer Back

By ARCHER WALL DOUGLAS

IT IS still too cool and wet in general for the good of the growing crops, and farm operations are much hampered and delayed. Most significant of all, it means less planting in many lines.

There will not be so much of an increase in cotton acreage over last year as seemed likely, nor of oats, nor of spring wheat. There is always the chance, however, that increased production per acre may in some measure compensate for decreased acreage. The most disappointing feature of last

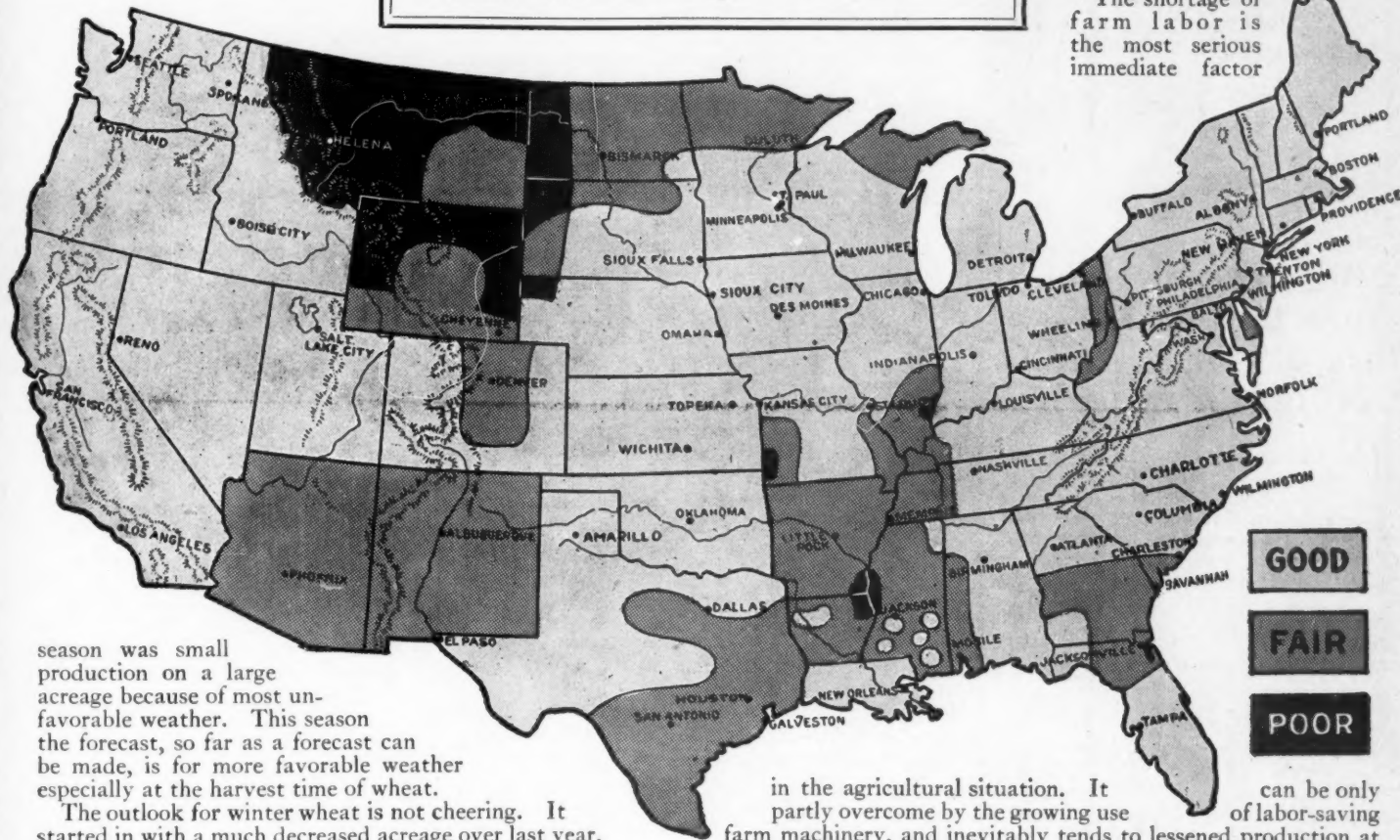
because of abundant moisture everywhere in the soil. This is one of the most needed forms of agricultural yields, as making more economical the raising of live stock and poultry and the consequent effect upon production and prices of dairy and poultry products.

The damage to fruit was much less in general than seemed likely thirty days ago, though severe in some localities. This is true likewise of garden truck, and there is no scarcity in sight of either of these products.

The shortage of farm labor is the most serious immediate factor

Business Conditions, May 11, 1920

THE map shows at a glance the general business conditions of the country. It is prepared by Mr. Douglas as a weather map of business, and should be so read. The light areas indicate large bank deposits, promising crops, industrial activity, evidence of an economic evolution, creating new needs in home, shop, and farm—in a word, a "high pressure" buying market. The black areas locate reverse conditions. The shaded area means half way.



season was small production on a large acreage because of most unfavorable weather. This season the forecast, so far as a forecast can be made, is for more favorable weather especially at the harvest time of wheat.

The outlook for winter wheat is not cheering. It started in with a much decreased acreage over last year, and now a good deal of that acreage has been abandoned and plowed up. It suffered much from winter killing, because of severe cold at a time when snow covering was lacking. In some sections it endured long dry spells when moisture was most essential. It has been hurt by the Hessian fly in spots all the way from Kansas to Ohio.

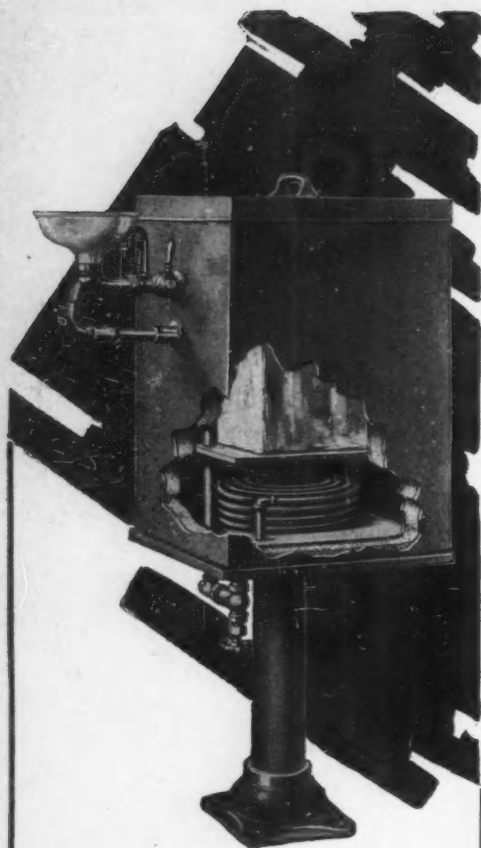
It will not be as large a crop as last year under the most favorable conditions. Just what it will be depends upon the weather from now on. It will be a very fair crop, and along with spring wheat, sufficient for our needs, and leaving some to spare for export, provided there be continuing good weather. Otherwise it will be a small crop with but little left for export. Definite figures of possible production do not mean much under present conditions, as ultimate yields may vary 25 per cent from any seeming likely estimate. All that can be said of spring wheat is that a lesser acreage than in 1919 seems likely because of a cold, wet, late spring.

There will unquestionably be a large acreage in corn. Hay and feed of all kinds for live stock promise to be plentiful,

in the agricultural situation. It can be only partly overcome by the growing use of labor-saving farm machinery, and inevitably tends to lessened production at a time when we need greater food supplies to reduce the cost of living. But it is the height of folly to attempt greatly increased production without first having provided sufficient and economical methods of transportation, distribution, and storage. We can make a needed beginning by putting the railroads in shape to purchase enough cars, motive powers and other necessary equipment to move the crops promptly and expeditiously.

There are still large sections in Nebraska, Kansas, Missouri, and Oklahoma where the farmers have not yet been able to market the wheat they harvested last summer. We can give also some intelligent thought to a problem of the greatest moment, that of distribution from the farmer to consumer, which shall eliminate some measurable portion of the unnecessary waste and expense seemingly inseparable from present methods. We have enough vital problems in the absolutely essential matter of agriculture to keep us engaged for years to come. Meanwhile the farmer in desperation seeks to solve them for himself and makes steady headway through cooperative associations.

We have not yet sounded the possibilities of food production



A Big Factor in Summer Production— Pure, Clean, Refreshing Water

When Old Sol gets on the job these sweltering summer days parching the throats and sapping the vitality and energy of your employees, there's one thing that successfully combats his production-retarding influence—a good, cool, refreshing drink. Jewett coolers installed so that one is located a few steps from each man's bench or machine solves the problem. Your workers refresh themselves with the sparkling ice cooled water and are back at the job without loss of time.

Jewett Water Coolers

connect direct to the regular water supply and operate without ice in the winter. Because they are square instead of round it is not necessary to break the ice to fill them—and solid cake ice lasts longer than small pieces. The pure cork lining (1½ inches thick) gives better insulation; many feet of coiled pipe greater cooling capacity than is found in the ordinary cooler.

All of these advantages are interestingly discussed in our folders on Jewett Water Coolers. Get this information before you decide on any make.

THE JEWETT REFRIGERATOR COMPANY

Established in 1849

25 Chandler Street Buffalo, N. Y.

in this country, for only about 30 per cent of the potential arable land is actually under cultivation. But first there must come a sufficiency of labor drawn to farm life because of its being an attractive, remunerative, and dependable business.

There is widespread speculation in farm lands, especially in portions of the west and middle west and it is an unhealthy sign. It does not, as is sometimes believed, add directly to the cost of farm products, for it has, in fact, been caused by the high prices of these same products. It breeds farm tenantry, absentee landlordism, and all the crop of evils which lie at the root of the troubles of some of the countries of the old world. The only answer is to bring down high prices of land by making available more lands to be cultivated, by draining the millions of acres of swamps, by utilizing the cut-over lands of our vanishing forests, and by exhausting the possibilities of irrigation. And these are things of national import which should not be left too largely to individual initiative and enterprise but should engage the interest of the state and federal governments.

The general thought about the future assumes a soberer hue, and commitments, save for seasonable goods, limit themselves to shorter periods. Those sporadic prophecies about coming panics which are always characteristic of periods such as this, do not excite any especial alarm. The average man is more thoughtful rather than more apprehensive.

There is growing feeling against the unending and uncalled for strikes which add constantly to the cost of production and bring nearer that inevitable day that calls for a halt.

While the incoming tide of prices and demand still seems at the flood, it is increasingly evident that the very acuteness of the situation is already beginning to create its own remedy. For there is fast spreading resentment among the mass of consumers at the steady piling on of the burden of high prices, with no immediate sign of relief, but only a babel of tongues, while innumerable organizations form to fight the high cost of living and get nowhere. There is likewise a dim but growing consciousness among these same consumers that to some extent the remedy lies in their own hands by saner spending and by abstinence from those things where profiteering is too obvious to be concealed. What we do not perceive, yet which is readily apparent, is that the times are out of joint, because of the spirit bred by the war, and that its effects are today turning the world topsy-turvy.

The manifestations of this spirit of unrest, or irresponsibility, of indifference to the rights of others, of no thought for the future, are the same in kind alike in Europe and in this country, only in far lesser degree with us than abroad. In some of the European countries they have almost lost hope, and are wondering what fate awaits them. Fortunately, for us and all the world, while we are dragging our anchor, we are increasingly confident that we will weather the storm.

The near future, like Jordan, may prove a hard road for us to travel, but beyond there seems to lie a constructive and more settled period, and one of indefinite expansion.

THE Agricultural Department is urging southern farmers to store their cotton and so stop waste. A loss of \$30,000,000 is estimated annually from weather damage to cotton left in the open. "Pickings," amounting to at least \$2.50 a bale, are the spoil of Saint Swithin and Jupiter Pluvius.

New Officers of the National Chamber

JOSEPH H. DEFREES, of Chicago, has been elected president of the Chamber of Commerce of the United States, succeeding Homer L. Ferguson, of Newport News, Va., retired after serving for one term. Mr. Defrees was named by the Chamber's Board of Directors at the conclusion of the annual meeting held at Atlantic City April 26 to 29.

Mr. Defrees long has been active in Chamber work. He served as a vice-president, as chairman of the executive committee and as chairman during the war of the War Service Executive Committee. He is a former president of the Chicago Association of Commerce. Mr. Defrees is by profession a lawyer, and is widely known by business interests throughout the country.

Other officers named by the board, as well as a complete roster of the new board of directors named at the annual meeting, are given as follows:

Senior Council

John H. Fahey, Publisher and Manufacturer, Boston, Mass.

Homer L. Ferguson, Newport News Dry Dock and Shipbuilding Co., Newport News, Va.

Wallace D. Simmons, Simmons Hardware Company, St. Louis, Mo.

R. Goodwyn Rhett, Peoples National Bank, Charleston, S. C.

Harry A. Wheeler, Union Trust Company, Chicago, Ill.

Honorary Vice-Presidents

A. B. Farquhar, A. B. Farquhar & Company, York, Pa.

L. S. Gillette, Plymouth Investment Company, Minneapolis, Minn.

Charles Nagel, Former Secretary of Commerce and Labor, St. Louis, Mo.

Vice-Presidents

FOR EASTERN STATES, A. C. Bedford, Standard Oil Company, New York, N. Y.

FOR SOUTHERN CENTRAL STATES, Philip S. Tuley, Louisville Cotton Mills Co., Louisville, Ky.

FOR NORTHERN CENTRAL STATES, William Butterworth, Deere Plow Company, Moline, Ill.

FOR WESTERN STATES, Maynard McFie, W. T. McFie Supply Co., Los Angeles, Cal.

Chairman, Executive Committee

Frederick J. Koster, California Barrel Company, San Francisco, Calif.

Treasurer

John Joy Edson, Equitable Cooperative Building Association, Washington, D. C.

Directors

Max W. Babb, Allis-Chalmers Company, Milwaukee, Wis.

A. E. Carlton, Holly Sugar Company, Colorado Springs, Colo.

Clyde C. Dawson, Dawson & Wright, Denver, Colo.

Dorr E. Felt, Felt & Tarrant Mfg. Co., Chicago, Ill.

Edwin Clark Gibbs, President Chamber of Commerce and Merchants Association, Cincinnati, Ohio.

Frank H. Johnston, City Coal and Wood Company, New Britain, Conn.

James S. Kemper, Lumbermen's Mutual Casualty Co., Chicago, Ill.

Lewis E. Pierson, Irving National Bank, New York, N. Y.

(Continued on page 96)

Factors determining success in your *Building Operations*

True satisfaction results when
a fair contract is written with
the right builder.

Qualifications, not price competition, will best determine his choice—experience in work similar to yours, reserve capacity for any emergency, a decentralized organization with low overhead costs and a history of practicing rigid operating economies. These are matters of record, subject to investigation.

His **intent** will be to erect your building according to *your* ideals, economically and quickly. He will be amenable to construction suggestions, compatible to you, your architect and engineer and accustomed to rendering a professional service.

His **contract** therefore will be friendly in tone, avoiding conflict of interest and putting a premium upon sympathetic economical execution, not upon skimping and controversy.

A Fixed-Fee contract written with Wells Brothers Construction Co. will bring the true satisfaction you are seeking. Organization, ideals and methods are such as to insure good and prompt execution of minimum cost.

“Wells Built Means Built Well”

Send for copy—
of our Fixed-Fee contract and explanation
of the basis of service.

Wells Brothers
CONSTRUCTION COMPANY
MONADNOCK BLOCK CHICAGO



Kansas City Plant, National Cloak and Suit Co.
N. Max Dunning, Architect - - Chicago

NATIONAL CLOAK & SUIT COMPANY

SEVENTH AVENUE 24TH & 25TH STREETS

NEW YORK February 11, 1920

OFFICE OF
S. G. ROSENBAUM
PRESIDENT

TO THE DIRECTORS
NATIONAL CLOAK & SUIT CO.:

I think you will be interested in the following facts
regarding our new Kansas City plant:

Construction contract signed June 27, 1919
Ground broken June 28
Construction commenced July 7
Roof completed on "B" building Oct. 15
Roof completed on "A" building Dec. 27
Staff moved into building Jan. 28, 1920.
First order filled Feb. 6.

As this building contains approximately 669,000 square
feet of floor space we believe it to be a very remarkable
showing and that a great deal of credit is due to Mr. N.
Max Dunning, Architect, and Wells Brothers Construction
Co.

Yours very truly,

S. G. Rosenbaum
President



Business houses in all parts of the United States find it to their advantage to maintain connections with this nationally known Mid-West Bank. We would be pleased to serve your interests in this part of the country.

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Vice-Pres., Illinois Steel Co.
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Vice-Pres., Union Trust Co.
FREDERICK L. WILK
Formerly Vice-Pres., Union Trust Co.

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Asst. to the President

UNION TRUST COMPANY

Capital and Surplus \$4,500,000.00
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Lewis B. Stillwell, Electrical and Consulting Engineer, New York, N. Y.

Ernest T. Trigg, John Lucas & Co. Inc., Philadelphia, Pa.

George H. Barbour, Michigan Stove Company, Detroit, Mich.

J. E. Chilberg, Scandinavian-American Bank, Seattle, Wash.

William J. Dean, Nicols, Dean & Gregg, St. Paul, Minn.

Philip H. Gadsden, Charleston Consolidated Ry. and Light Company, Charleston, S. C.

Clarence H. Howard, Commonwealth Steel Co., St. Louis, Mo.

Charles S. Keith, Central Coal and Coke Company, Kansas City, Mo.

Frederick J. Koster, California Barrel Company, San Francisco, Cal.

John L. Powell, Wichita Wholesale Grocery Co., Wichita, Kans.

George Ed. Smith, Royal Typewriter Co., New York, N. Y.

Nathan Straus, Fleischner, Mayer & Co., Portland, Ore.

Henry M. Victor, Union National Bank, Charlotte, N. C.

Thomas E. Wilson, Wilson & Co., Chicago, Ill.

R. M. Bissell, Hartford Fire Insurance Co., Hartford, Conn.

John M. Crawford, Parkersburg Rig and Reel Co., Parkersburg, W. Va.

Howard Elliott, Chairman of the Board, Northern Pacific Railroad.

Charles C. George, George & Company, Omaha, Neb.

A. L. Humphrey, Westinghouse Air Brake Co., Wilmerding, Pa.

Frank Kell, Highland, Irrigation and Land Co., Wichita Falls, Tex.

W. S. McLucas, Commerce Trust Company, Kansas City, Mo.

Bernard J. Rothwell, Flour Manufacturer, Boston, Mass.

John W. Staley, Peoples State Bank, Detroit, Mich.

Henry C. Stuart, Agriculturist, Elk Garden, Va.

Theodore F. Whitmarsh, National Wholesale Grocers Assn., New York, N. Y.

The World's Diamonds

THE United States imported more precious stones during the last fiscal year than ever before. The pearl has also become a vastly popular gem. Our importation of \$2,000,000 worth of pearls in 1912 became \$10,000,000 worth in 1916, but dropped again to less than \$2,000,000 in 1918, owing to the war's disruption of the richest pearl fisheries and the consequent scarcity; 1919, however, showed a small increase in pearl importation and a very large one in diamonds.

In fact, the United States is now thought to own about one-half of the whole world's diamonds, well over half a billion dollars worth. The diamond producers of South Africa are "dumping" large stocks of pearls accumulated during the war, because of the great London demand for that gem. This country is now, as never before, drawing large importations of uncut diamonds from England, the product of her South African colonies, and the diamond cutting industry is greatly developed here.

The Conquest of Constipation Calls for NUJOL

BY C. Houston Goudiss—
National Lecturer on Diet and Nutrition.

CONSTIPATION must be conquered if this country is to have the kind of health needed to maintain the high national standards we have set up; if its commercial leadership is to continue.

A people fifty per cent unfit physically can't make 100 per cent progress. Nine-tenths of our disease is directly or indirectly caused by failure of the bowels to properly perform their function. Poisons that should be promptly eliminated are permitted to remain and plant the seeds of sickness.

The routing of this dangerous foe is easy enough if NUJOL is chosen as the chief weapon.

What is NUJOL?

It is an odorless, tasteless liquid, clear as crystal, which comes from the heart of Nature to help humanity free itself of the most dangerous and deadly of all enemies of health, happiness and efficiency. It is not a medicine, and it has no chemical effect on any organ.

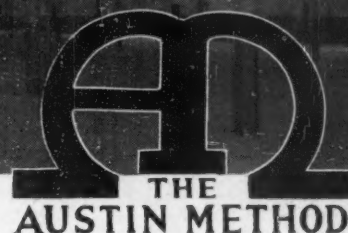
By softening the accumulated mass of body and food waste and lubricating the walls of the intestines, it painlessly prompts normal elimination. It is pleasant to take and absolutely harmless. Even babies swallow it like water. And because it DOES conquer Constipation, it is the first help to be considered in **Sickness Prevention.**

Nujol
For Constipation





The National Candy Company, Mt. Clemens, Michigan. 200 x 400, double the width of the No. 3 Standard with two monitors.



4000 Square Feet - Only One Column

EVERY square foot valuable, usable space—broad unobstructed working areas and fewest possible columns is the Austin method of helping you increase production.

The adaptability of the Austin No. 3 Standard is shown by users in a great many industrial fields. *Many miles of these buildings serve the iron and steel trade.* A great number of them have been built for automotive, chemical, paper and scores of other industries.

The National Candy Company, Mt. Clemens, Michigan, has demonstrated that the one

story type, with its large unobstructed floor area, thorough ventilation and flood of light, is particularly well suited to economical production.

In Austin stock there is now sufficient prefabricated steel to erect 400,000 square feet of this type of building. This stock is subject to prior sale and ready for immediate shipment. Austin engineers assume entire responsibility for construction, and install the heating, plumbing and lighting equipment.

Send today for the Austin Book of Buildings. If your need is urgent—wire.

THE AUSTIN CO., Industrial Engineers and Builders, Cleveland, Ohio

For U. S. A. and Canada, address nearest office:

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AUSTIN

STANDARD FACTORY-BUILDINGS



STRENGTH

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The Case of the Arsenals

THERE has been much discussion recently in regard to the Government's so-called "experiment in industrial democracy" at the large government arsenals. Reports from Rock Island Arsenal, and the published letter to Secretary Baker from the Employees Representatives Arsenal Orders Branch, outlining the work of that branch, as well as the published statement of the Chief of Ordnance denying that the authority of the commanding officer had been diminished in the slightest degree, have aroused much comment.

A few points may be definitely cleared up from authoritative information.

A statement has been made, that "even the task of securing orders from other departments of the Government seems to have been left to their (the employees') initiative and to their representatives." This is not correct. The Arsenal Orders Branch has an officer at the head of it, though there are representatives of the employees connected with it.

The statement that "employees' representatives actively assist in the work of the Arsenal Orders Branch, in figuring costs when bidding for work, etc.," is incorrect. The statement that employees have "a large measure of control over the conditions of production and labor" is not true of Watervliet Arsenal, for instance. Estimates are made by the commanding officer with the assistance of the best talent of the plant.

It is known that employees at other arsenals than Rock Island do not elect shop foremen. It is known that at Watervliet Arsenal, for instance, the workers have not elected "special committees to advise with the department representative." There is an elected shop committee which acts upon grievances, etc., and recommends. Any suggestion made by any employee is welcomed by the administration and carefully considered. The advice of the best talent is sought on all subjects. Naturally the foremen and higher workmen have the most ability, and their suggestions are apt to be the most worth-while. The principle of cooperation is fostered sedulously, and the effort is made to make every man feel an interest in the plant—but this is very different from turning the plant over to the workmen. The Shop Committee can lay any proposition it desires before the commanding officer for his approval or veto. In general, Secretary Baker's statement disclosed the whole truth about the matter when he said: "The whole purpose of the steps which have been taken is to bring about understanding and good feeling, but not in any sense to part with either the responsibility or the authority of the Government in the management of these industrial enterprises."

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THE WEBB-POMERENE ACT has now, according to the Federal Trade Commission, given rise to 42 cooperative organizations devoted to export trade. In these organizations there are associated a total of 734 members, with about 1,000 plants and factories. The plants are situated in all parts of the country, with 118 in New York, 87 in Pennsylvania, 96 on the Pacific Coast, 46 in Wisconsin, 16 in Texas, etc. Some of the enterprises, which are associated in the export organizations, have as little capital as \$10,000.

The commodities exported by these organizations include lumber, hardware, chemicals, fertilizer, meats, evaporated milk, iron and steel, paper, canned goods, leather, textiles, copper, agricultural and textile machinery, locomotives, paints, soap, and cereals.

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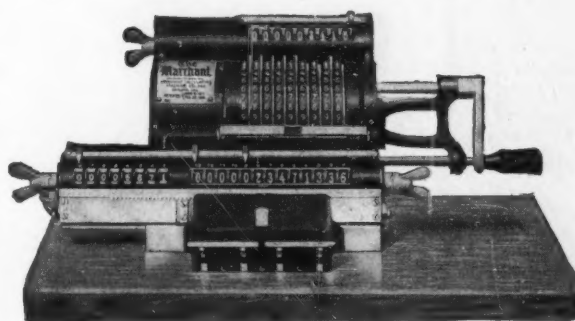
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Potatoes as Passengers

The possibilities of the trolley car as an aid to the motor truck in carrying produce and the like have barely been touched; but the electric lines can't do full duty without payment based on work performed

By JOHN H. PARDEE

President of the American Electric Railway Association

THE transportation facilities of the United States are today very much less than those which are needed for the production required. In this situation it is simply the part of common sense to avail ourselves of every facility which can be utilized to improve, extend and expand such facilities and to bring them into co-ordination with each other so that each may perform the part which it is best fitted to perform. The 18,000 miles of interurban electric railway track which now serves the country is being utilized only to a part of its capacity. It is capable of performing a very much larger and a very much better work in the service of the public. Transportation on rails is of all methods of land transportation the cheapest. To incur large expenditures for new forms of transportation before making the greatest use of those already existing is waste. Of the total revenues of the steam roads of the country approximately 70 per cent is derived from the transportation of freight. Of the total revenues of electric railways less than 3 per cent is derived from freight. Yet three-sevenths of all electric railway trackage is of a character that lends itself to transportation of goods between communities, while practically all of the rest can be put to efficient use in connection with the intramural distribution of commodities.

The transportation problem of today in its practical aspects is largely a terminal problem. No large city of the country has at the present time sufficient terminal facilities. Their provision involves such enormous capital expenditures that any means by which terminal congestion can be relieved and terminal requirements reduced must be welcomed not only by the steam roads, but by industry. The interurban railway in connection with city systems offers such relief to the extent that the interurbans can relieve the steam roads of traffic within the sphere of their operations. The city which is adequately served by street railway tracks is in an excellent position to solve its distribution problem, in so far as it concerns traffic, both passenger and freight, originating or destined for territory served by its interurbans. The expense involved is the expense of establishing small terminals in such locations as will best serve the population, and is inconsiderable as compared with the enormous expenditures requisite for any great expansion of steam road terminals.

Most essential of all production is the production of food, while its distribution after production is an equally important factor in the cost of living. The electric railway is a ready-made, an almost already equipped agency to facilitate distribution and to lower its cost. In cooperation with the motor truck it can do much to solve this im-

mensely important problem. Where there has been this cooperation, and there are many instances, notably those in Illinois, which will prove my contention, the results have been excellent. Where there is competition, the results have been disastrous to both, and in spite of temporary reduction of transportation charges or improvement in facilities, it is the public that has in the end suffered.

Electric Lines Can't Do It All

I DO not urge the claims of the electric railways as a savior of either the transportation or the production situation. What I believe, and what I know that others believe is that both those electric roads which serve the cities and those which serve the countries have a part to perform in this work of increased production; that their efficient operation is essential to any program which the Chamber may decide upon, and that like every other part of the machinery of production they must be put into such a condition of efficiency as will enable them to perform their task.

For your purpose, for the purpose of the people of the country, they cannot be considered as merely private enterprises whose sole object is gain; they must be regarded as public necessities, performing a public service, and under this concept of their character and functions, be put into such a position both financially and in the public mind, as will permit them to do the work completely and well.

Today the transportation companies are failing in their business of providing service, are failing to utilize to the full in the public interests the possibilities of their facility, because they are so restricted and so hampered

by public misconception and public prejudice that they have neither the financial resources nor the public cooperation necessary for their task.

What they ask in the public interest in order that they may properly serve the public, and in their own interest in order that their money honestly invested be not confiscated, is that the laws, ordinances, or agreements which now control them be so readjusted as to make the price at which the product is sold dependent upon the cost of production, and not upon an arbitrary fixed allowance.

In normal times the capital requirements for extensions, betterments and improvements of the electric railways of the United States are more than \$200,000,000 a year. Today because of deferred maintenance and rehabilitation a much larger sum is required, and in so far as the operations of electric railways affect production, their usefulness is halted by their present inability to secure these funds. Until the flow of new money into electric railway enterprise is resumed, they are powerless to increase materially their activities in furtherance of your production efforts.

The plain truth is that their credit no longer exists, that it has vanished because of their inability to earn a living wage, and that as a result a necessary public service is being slowly perhaps, but no less surely, destroyed.

A Belgian Industry Recovers

WINDOW glass production in Belgium has probably been more completely revived than any important Belgian industry. At present two-thirds of the existing furnaces are in operation, but the average production has been so increased that output has now practically reached the level of July, 1914. It should be remembered, however, that in the period immediately preceding the war there was a slump in the Belgian glass industry; in the early part of 1914, for instance, only about two-thirds of the working force was employed.

There has recently been considerable comment in the Belgian press on the efforts of Great Britain to enlarge its glass industry and the acquisition by a British syndicate of the Fourcalt patent for the mechanical blowing of glass.

Before the war Belgian manufacturers were able to compete with plants in the United States and other foreign countries, using mechanical blowing apparatus, without difficulty, chiefly on account of the great efficiency and comparatively low wages of the Belgian operatives. There is naturally no tendency to attempt mechanical production at this time when the installation costs would be almost prohibitive, and demand is heavy.



Courtesy Spicer Mfg. Co.

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World Cooperation in Business

By JOHN H. FAHEY

*Chairman, General Organization Committee,
International Chamber of Commerce*

THE business men of the world are about to be brought together into an organization that offers unusual opportunity for solving some of the problems that affect international commercial relations. The possibilities held forth in the new International Chamber of Commerce, to be created at Paris in June, can hardly be over-estimated.

A feature of the proposed organization that goes quite a considerable distance beyond anything previously contemplated is the creation of a permanent international bureau. An office would be established at a central point in Europe, in which each country would be represented by an executive secretary or counsellor, who would have the aid and assistance of a staff of technical experts.

The theory is that the central bureau would be a clearing house continuously in operation as a basis of information of the type business men want, so we would not be dependent on the information gathered by governments, frequently all too inadequate.

This central bureau would be wholly under the supervision of the board of directors and the officers of the International Chamber as to its general operations and policies, but the executive staff, that is to say our chief from the United States and corresponding officials from the other countries, would constitute a council, checking up the progress made and interchanging ideas that might come back quickly to us and to the other countries. Details of the plan remain to be worked out.

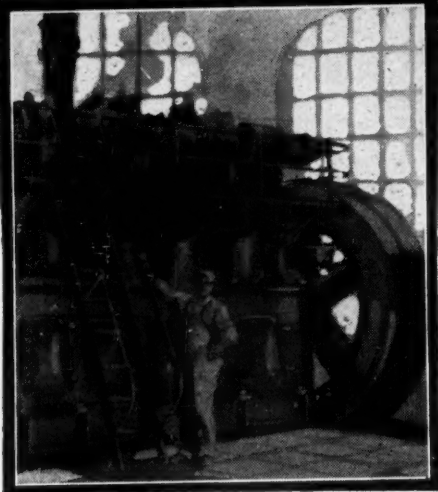
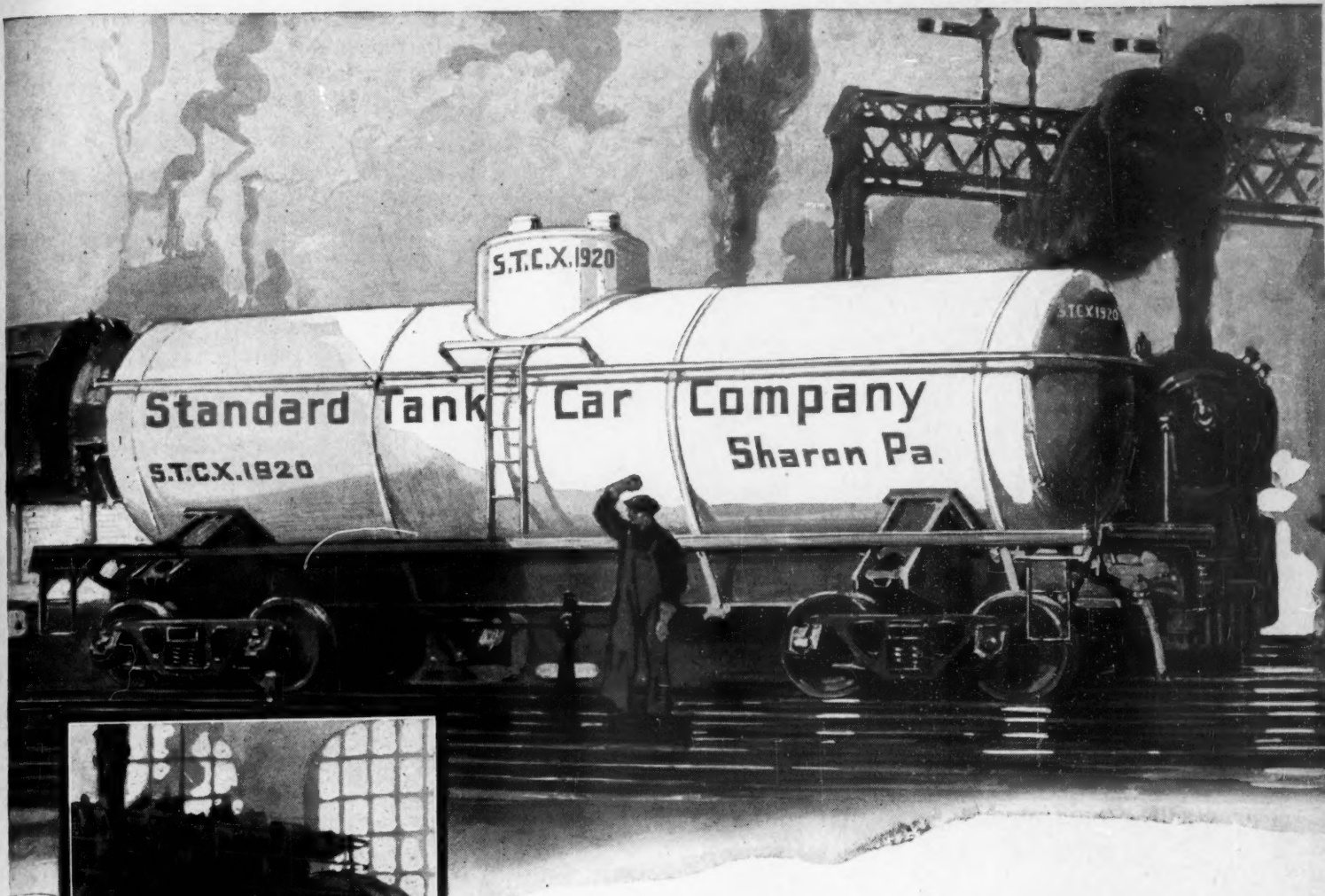
Some of the questions that will come before the first meeting are of extreme importance. Obviously one of the first things will be the general financial situation. The League of Nations is calling a financial conference in Brussels May 24, when experts from the allied and neutral countries will discuss exchange and credits in their bearing on the supply of raw material as well as the many difficulties that now affect commerce and trade relations. It is hoped that the financial conference may have a preliminary report ready to present at the Paris meeting.

There is another question that will receive considerable attention, that of tariff policies, a very ticklish and delicate one. In American fashion, we have got to face it frankly and realize that it is coming as affecting us and as affecting other countries.

The war has brought up the tariff in many new phases. For one thing, embargoes still exist, which business men generally feel should now be removed; there is the question of the speed with which they should be gotten out of the way and of the particular things to which they should apply.

Then there is the question of the treatment of mandate territories, whether tariffs may be applied there in the interest of the country taking the mandatory and the problem of colonial preferences, which is coming in as a new factor in world intercourse.

Another thing that is certain to come up abroad is the subject of unfair competition in foreign trade—disloyal competition, the French call it. One of the things we contemplate by the operations of the International Chamber is the securing of common agreements among business men of the various countries, and then in turn the presentation in each country of suggestions for uniform legislation to remove some of these difficulties.



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What the Railroads Are Doing

By J. F. JARRELL

THE PENNSYLVANIA RAILROAD has purchased the Lombard hotel in Chicago and will remodel the building for its western general offices.

In the British Parliament the question was raised recently of the number of women employed on English railways. It was stated that on August 1, 1914, there were 12,000 railroad women in England, and this number was increased to approximately 66,000 by November 11, 1918. Since the armistice, women employees, to a certain extent, have been replaced by men, and there are now 30,000 of them in the service.

The extension of the Chicago, Rock Island & Pacific Railroad, from Chattanooga to Grandfield, Tex., is now open for traffic. The line was built to relieve the heavy freight and passenger congestion in the oil fields.

Executives of the lines in the western trunk line territory have organized the Western Trunk Line Standing Rate Committee, composed of disinterested men on salary who will make their headquarters in Chicago.

The Shipping Board is now working out a new system of allocation whereby tonnage will be assigned to steamship companies which propose to buy ships and operate them on regular routes. Shipping organizations have endorsed this plan.

Estimates furnished by Swager Sherley, director of the division of finance of the railroad administration, fixes the immediate needs of the railroads in the way of equipment, building of which should begin at once, as 80,000 box cars, 20,000 refrigerator cars, 2,000 passenger coaches and 2,000 locomotives, valued at more than \$400,000,000.

Employees of the Pennsylvania Railroad belonging to the National Guard may have two weeks' leave of absence without loss of pay or annual vacation privileges when required to take time for field training.

A recent strike of 2,000 railroad employees at Wakefield, England, which lasted several days, was called because an insubordinate driver, suspended by the company, was not instantly reinstated into the service.

Demanding the same treatment under the transportation act as accorded roads which were under federal control, the American Short Line Railroad Association has decided to ask the Interstate Commerce Commission to award the standard return, guaranteed the other lines against loss, to all systems. Should the commission refuse this request, the short lines say they will ask Congress for remedial legislation.

President Wilson has named the railroad labor board, to handle all problems pertaining to wages and working conditions. Representing the public are G. W. W. Hangar, an official of the board of conciliation and mediation of the Labor Department; Henry Hunt, former mayor of Cincinnati, and R. M. Barton, for years a judge of the Tennessee Court of Appeals. Representing labor on the board are Albert Phillips, vice-president of the Brotherhood of Locomotive Engineers; A. O. Wharton, head of the railway department of the American Federation of Labor, and J. J. Forrester, president of the Brotherhood of Railway Clerks. The members representing the carriers are Horace Baker, formerly general manager of the Cincinnati, New Orleans and Texas Pacific; J. H. Elliott, formerly general manager of the Texas Pacific and later a colonel in the transportation corps of the A. E. F., and William L. Park, vice-president of the Chicago Great Western.

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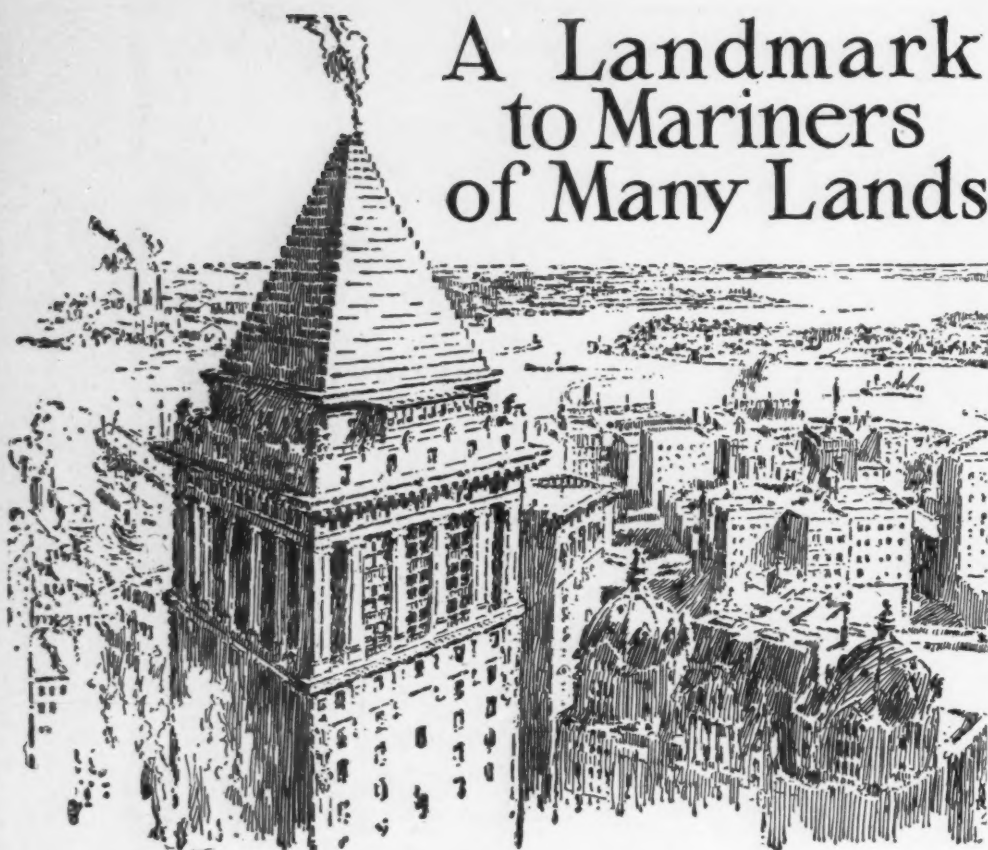
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NEW YORK CITY

Getting the Young Men In

Work of the Junior Chambers Which
Meet in St. Louis This Month

THE task of making the youngster in business help himself, his employer and his community is being met by the Junior Chambers of Commerce, which had their origin in St. Louis, and which are to meet in St. Louis on June 17, 18 and 19, to form a National Junior Chamber.

The idea was conceived by Henry Giessenbier, Jr., who was elected president at the caucus meeting (at which 39 delegates from 23 cities were present), held in St. Louis, January 21-23. This same young man, five years before, organized the first city-wide young men's organization in St. Louis, which later formed the nucleus for the present Junior Chamber of Commerce. At the formation of the local organization five years previous, he was a clerk in a bank, while at the time of the National Junior Chamber's formation, he had become a bank cashier, due largely, he says, to the training and experience gained in active Junior Chamber service.

At the preliminary conference the purposes of the National Junior Chamber were largely defined, a constitution and by-laws adopted, and plans for the first national convention outlined.

The St. Louis organization got its real start in the latter part of 1915 at a meeting of six young men, at which the Young Men's Progressive Civic Association was born. By March 13, 1916, the membership had swelled to 400 and the necessity for larger quarters was already under discussion. A constitution and by-laws had been adopted and a platform of work outlined.

Not All Business

EDUCATIONAL and social features were given particular attention. Such men as Wm. McC. Martin, chairman of the Federal Reserve Bank, Clarence H. Howard, president of the Commonwealth Steel Company, Ben Blewitt, superintendent of instruction, Brig. Gen. E. J. Spencer, Martin J. Collins, vice-president of the Graham Paper Company, Robert S. Brookings, president of the Washington University, Mayor Henry W. Kiel, Melville L. Wilkinson, president of Scruggs Vandervoort and Barney Dry Goods Company, addressed the meetings giving counsel and business information.

But the "fairy-god-father" of the young men is Clarence H. Howard, president of the Commonwealth Steel Company, and former president of the Business Men's League, (now the St. Louis Chamber of Commerce). Howard is vitally interested in boys. He had a "hard climb" of it himself when a young man and his generous and sympathetic nature responded quickly and liberally to the organization's needs. Just prior to the Democratic Convention in St. Louis in 1916, the Y. M. P. C. A. had been called upon to clean out the Art Museum Building which was to be used as a background for a tableau arranged by the suffragists for delegates to the convention. The young men made a good job of it, some of them working practically all night.

After the convention Howard determined that this building which formed a part of the city's treasured history, should be turned over to the young men's organization and the boy scouts, to be used as permanent headquarters and a civic center. The property belonged to Washington University.

SHOP FOREMAN ELECTROCUTED

R. Bierce of Valley Junction Victim of Electric Shock

Edward R. Bierce, 48, of Valley Junction, was electrocuted at the Rock Island shop Saturday afternoon.

Bierce, who was a foreman in the woodwork department, at the plant, attempted to pull an electric switch.

His left hand was resting on a steam pipe and when the contact was made, he was instantly killed.

Coroner Guy Cliff held an inquest and pronounced the death accidental.



Without warning — it struck — a white flame of death

And another victim was added to the shameful toll of the exposed knife switch

THE clipping tells the story. Somehow—his hand—groping—made a contact with the live naked switch above him—and straight across his heart shot the heavy electric current.

Doctors, first-aid, pulmotors, friends—nothing they could ever do would revive life in the limp, still-warm form.

All over the land protest is going up

From everywhere an outcry, in ever-increasing intensity, is heard against the needless waste of life and property caused by the exposed knife switch.

Fire marshals are ruling against it; safety officials are branding it as dangerous; labor unions are denouncing it; electrical societies are condemning it; architects and contractors are black-listing it; from every side comes the demand from authorities—the knife switch must go.

"The loss of life and property due to defective electric installations every year," says John G. Gamber, State Fire Marshal of Illinois, "is beyond reason.....My department has issued a general order requiring that all knife switches, other than those on switchboards, must be of the approved safety enclosed type."

The Western Association of Electrical Inspectors, in convention at St. Louis January 27, 28 and 29, 1920, went on record without a dissenting vote as being in favor of the use of enclosed switches.

"The exposed knife switch," says John A. Hoeveler, Electrical Engineer, Industrial

Commission of Wisconsin, "is the most common unguarded source of electrical trouble in factories. The worker is always in danger of shocks and burns by contact."

The Square D Safety Switch

The Square D Safety Switch is an absolute safeguard against shock, fire, and industrial accident of any kind.

It is a simple knife switch in a pressed-steel housing—externally operated. A handle on the outside does all the work.

Current cannot reach that handle, nor the box itself—tough, rugged insulation completely isolates all live parts. They are safely enclosed within steel walls.

The switch may be locked in the open position, too, while work is being done on the line; nobody can thoughtlessly turn on the current. This feature is saving many an electrician's life. "On" and "Off" positions are clearly indicated. The Square D Safety Switch is made in over 300 sizes, types, and

capacities—for factories, office buildings and homes.

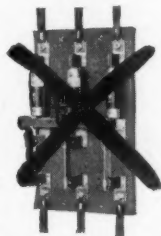
The greatest remaining hazard around an electrical installation—the exposed knife switch—is going. All over the country progressive firms—leaders both in employees' welfare and in efficient production—are safeguarding the lives of their workmen and their property by replacing all old-style exposed knife switches with Square D Safety Switches. Prominent among them are:

The United States Steel Corporation
Pennsylvania Railroad
Standard Oil Company
Pullman Company
Ford Motor Company
The B. F. Goodrich Rubber Co.
U. S. Shipping Board
General Motors Corporation
Bethlehem Steel Company
The White Company

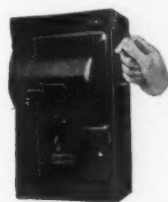
Listed as standard for both fire and accident prevention by the Underwriters' Laboratories of the National Board of Fire Underwriters. Meets the requirements of the National Electrical Safety Code of the Bureau of Standards, Department of Commerce, Washington, D. C.

The Square D Safety Switch is sold and installed by your electrical dealer and contractor. Architects and engineers are listing it as standard equipment. Ask any of them for further information—or write us direct.

Act NOW and protect your workmen, your family and your property, against fire, shocks and other electrical hazards. SQUARE D COMPANY, 1400 Rivard Street, Detroit, Michigan. Canadian Branch: Walkerville, Ontario.



The dangerous exposed knife switch



The Square D Safety Switch



Why Forgings are Superior to Castings

WROUGHT metal is tougher, stronger and more reliable than cast metal. Consequently, for safety or dependable service, wrought metal is used; its great superiority in these qualities being universally recognized. A casting has no close, tough grain—it is naturally brittle. As “blow holes”—cavities due to gas—are often formed beneath its surface, it is impossible to know whether the casting is solid, or hollow, at its vital point. Its appearance of solidity may be, literally, a “hollow sham,” concealing a dangerous defect. Castings are never used where maximum strength is combined with minimum weight.

Drop-Forgings are made from hammered, or rolled—wrought—bars. Even their *raw* metal, therefore, is much tougher than the *finished* casting; this metal is still further improved and refined by the compressive and strengthening blows it receives from the drop-hammer, the “ram” or hammer of which weighs up to 12,000 lbs.

The tenacious toughness and dependable strength of Williams' Superior Drop-Forgings and Drop-Forged Tools are the result of experience gained during nearly half a century of constant effort to make only the best.

J. H. WILLIAMS & COMPANY

“The Drop-Forging People”

7 So. Clinton Street, Chicago

7 Vulcan Street, Buffalo

7 Richard Street, Brooklyn, N. Y.



Williams' “Vulcan”

Drop-Forged

Safety Lathe Dogs

Bent and Straight Tail

16 Sizes— $\frac{3}{8}$ to 6 inches

1 or 2 Screws

Ask for Booklet.

Howard got the use of it from the university and even had them supply heat during the winter months. The determination of the young men to make good in their organization work again evidenced itself. The members gave unsparingly of their time in overhauling the place; broken panes were replaced, huge quantities of debris hauled away, flower beds planted in front, a lounging room equipped, and an auditorium with a seating capacity of 600 put in shape for meetings. Business men again came forward with the same encouragement which has marked their attitude during the entire history of the organization. It would take a page to list the donations of furniture and other equipment by individuals and business concerns to make the headquarters comfortable for the young men.

To the Rescue Again

WITH new headquarters came the desire for a new name. Again the “fairy-god-father,” Mr. Howard, came to the rescue. In an address before the organization July 10, 1916, he said, “We often speak of young men as future citizens. I do not like that—you are citizens now. Junior citizens, it seems to me, means something.” And so the name “Junior Citizens” was adopted and a new constitution and by-laws framed to meet the expanding activities of the organization.

In April 1918, the name “Junior Citizens” was put aside and the Junior Chamber of Commerce took its place, not, however, without many conferences, work, and painstaking care. Dues were raised from \$2 to \$6 a year. It was necessary at first to secure a loan from a bank, with Mr. Howard as surety, to get the new movement under way. The services of a paid secretary on full time were secured, headquarters established at the Senior Chamber of Commerce offices, and an aggressive membership campaign inaugurated. Today the membership stands at 4,500.

Many new features have been added as the organization has progressed. Weekly membership conference luncheons are held attended by hundreds of young men. Twenty standing committees meet at least one night each week. A business department has been created which gives the opportunity for round-table discussions on advertising, banking, credit, accounting, iron and steel, real estate, salesmanship, and every other line of activity represented in the diversified membership. An assistant secretary and two stenographers have been added to the staff, and a weekly magazine called *Push*, a name symbolic of the spirit of the organization, is published.

Ten Lean Years for Industry

C. F. LANG, president of the Lakewood Engineering Company, has no false hopes that the supply of labor will soon right itself, and *THE NATION'S BUSINESS* has asked him to put down his ideas of the causes and the remedy. Here they are:

American ingenuity and resourcefulness alone will solve the labor shortage.

The labor shortage of the world will continue for a decade at least.

Underproduction on the part of existing labor is a natural reaction resulting from the war, and deplorable as it is, time alone will correct it, but even when corrected, a labor shortage will still exist.

Immigration and the increase of women



DURAND STEEL RACKS



ORGANIZATION of the stock room is the keynote of good service. No matter how great the variety of your stock, systematic arrangement will make it possible to find the thing you want instantly

Durand Steel Racks and Shelving are adjustable to the requirements of all kinds and all quantities of stock. They save valuable space in the store room and still more valuable time of employees.

Consult with us on problems of stock room arrangements; also about steel lockers of all types.

DURAND STEEL LOCKER CO.

1511 Ft. Dearborn Bank Bldg.
Chicago

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New York

in industry would only offer partial relief, while the necessity for either should be eliminated if possible.

The deficiency can and must be met by American ingenuity and resourcefulness—which have never failed us in the past.

Increased use of labor-saving tools, and of labor-saving methods present the opportunity—and practically the only opportunity—for an early elimination of this labor shortage.

When American employers once realize that bidding against each other for labor merely adds to their individual problems, and determine to seriously address themselves to the further installation of labor saving tools and the adoption of more efficient methods which will conserve what labor they now have, then and then only will the cost of living come down, and the financial burdens of government, business and individuals be lightened.

Increase existing American man-power by adopting better tools and methods.

Erin's Tobacco

IN 1831 tobacco culture was prohibited by law in Ireland. Consequently, Erin had forgotten all it ever knew about tobacco when the Irish Department of Agriculture started experiments in 1900. The United Kingdom was drawing its tobacco chiefly from the United States. Private individuals were granted money for commercial experiment and given expert advice by the Irish Department. The plan of later experiments, under a new grant from the development fund, was made to conform as nearly as possible to the organization of the industry as existing in America.

Today, until competition develops, Irish growers can produce, and have the facilities to produce, the western type of tobacco leaf and should be able to command profitable prices for high-grade leaf very like Kentucky tobacco. During the commercial experiments tobacco was grown in eleven counties by 207 individuals.

There were 1,831 statute acres under tobacco, and 1,407,235 pounds were produced and sold for £28,013. An acre yielded about 812 pounds, selling for 4s 7d per pound. The average receipts per acre were £15 18s. Ireland has specialized in heavy, dark, unfermented tobacco, such as we export in such large quantities, and she is now given the benefit of the duty which is imposed on all imported growths.

Hiding the Nation's Finances

SECRET finance almost became a reality in the United States in April. The Public Printer seems to resemble the other men who ply his trade, in being a canny gentleman. Accordingly, when he perceived that Congress had refused the Treasury a bit of money with which to pay him cash for its publication, he refused to grant a cent of credit. Forthwith the daily and monthly statements, which show how the public finances are going, ceased abruptly. Treasury officials enjoyed the exclusiveness of photostatic tabulations which were kept strictly confidential, and the public was left completely in the dark at a time when the government's daily transactions remain in fancy figures.

There are limits to the obduracy even of a printer, and the government's printer yielded eventually, but apparently, only after he had the best of assurances that Congress would make another appropriation.



70 YEARS in OREGON

Out in progressive Portland, in opulent Oregon, there's a department store by the name of Olds, Wortman & King. It was there in 1850.

We haven't the figures as to its size 70 years ago, but today it occupies 254,000 sq. ft. of floor space, employs a few thousand sales people and is known from Mt. Baker to San Diego.

Back in 1912 this concern sought a sound, practical and thoroughly effective system by which it could allow a discount to cash customers.

After an investigation that covered this feature of sales promotion from every angle, the "Sperry" Service was selected as best suited to properly co-ordinate with their policies and principles, and as the most widely known and endorsed co-operative discount system.

Today, 8 years after adoption, the "Sperry" Service is a most valued feature of this concern's merchandising, that is, valued by them, and valued by the thousands of frugal Oregon housewives they serve.

THE SPERRY & HUTCHINSON CO.

114 Fifth Avenue

New York